

AGENDA

Administrative Committee Meeting

February 14, 2007

9:00 a.m.

Location

SANBAG

Super Chief Conference Room

1170 W. 3rd Street, 2nd Floor

San Bernardino, CA

Administrative Committee Membership

Chair – SANBAG Vice President

Mayor Lawrence Dale
City of Barstow

SANBAG President

Supervisor Dennis Hansberger
County of San Bernardino

SANBAG Past President

Supervisor Paul Biane
County of San Bernardino

Mt./Desert Representatives

Mayor Rick Roelle
Town of Apple Valley

Council Member Kevin Cole
City of Twentynine Palms

Supervisor Brad Mitzelfelt
County of San Bernardino

East Valley Representatives

Mayor Pro Tem Bea Cortes
City of Grand Terrace

Mayor Bob Christman
City of Loma Linda

Supervisor Josie Gonzales
County of San Bernardino

West Valley Representatives

Mayor Gwenn Norton-Perry
City of Chino Hills

Mayor Paul Eaton
City of Montclair

Supervisor Gary Ovitt
County of San Bernardino

San Bernardino Associated Governments (SANBAG) is a council of governments formed in 1973 by joint powers agreement of the cities and the County of San Bernardino. SANBAG is governed by a Board of Directors consisting of a mayor or designated council member from each of the twenty-four cities in San Bernardino County and the five members of the San Bernardino County Board of Supervisors.

In addition to SANBAG, the composition of the SANBAG Board of Directors also serves as the governing board for several separate legal entities listed below:

***The San Bernardino County Transportation Commission**, which is responsible for short and long range transportation planning within San Bernardino County, including coordination and approval of all public mass transit service, approval of all capital development projects for public transit and highway projects, and determination of staging and scheduling of construction relative to all transportation improvement projects in the Transportation Improvement Program.*

***The San Bernardino County Transportation Authority**, which is responsible for administration of the voter-approved half-cent transportation transactions and use tax levied in the County of San Bernardino.*

***The Service Authority for Freeway Emergencies**, which is responsible for the administration and operation of a motorist aid system of call boxes on State freeways and highways within San Bernardino County.*

***The Congestion Management Agency**, which analyzes the performance level of the regional transportation system in a manner which ensures consideration of the impacts from new development and promotes air quality through implementation of strategies in the adopted air quality plans.*

*As a **Subregional Planning Agency**, SANBAG represents the San Bernardino County subregion and assists the Southern California Association of Governments in carrying out its functions as the metropolitan planning organization. SANBAG performs studies and develops consensus relative to regional growth forecasts, regional transportation plans, and mobile source components of the air quality plans.*

Items which appear on the monthly Board of Directors agenda are subjects of one or more of the listed legal authorities. For ease of understanding and timeliness, the agenda items for all of these entities are consolidated on one agenda. Documents contained in the agenda package are clearly marked with the appropriate legal entity.

**San Bernardino Associated Governments
County Transportation Commission
County Transportation Authority
Service Authority for Freeway Emergencies
County Congestion Management Agency**

AGENDA

Administrative Committee Meeting

February 14, 2007

9:00 a.m.

Location: SANBAG, Super Chief Conference Room, 1170 W. 3rd Street, 2nd Floor,
San Bernardino

CALL TO ORDER 9:00 a.m.
(Meeting Chaired by Lawrence Dale)

- I. Attendance
- II. Announcements
- III. Agenda Notices/Modifications – Anna Aldana

- 1. **Possible Conflict of Interest Issues for the Administrative Committee Meeting February 14, 2007.** Pg. 5

Note agenda item contractors, subcontractors and agents which may require member abstentions due to conflict of interest and financial interests. Board Member abstentions shall be stated under this item for recordation on the appropriate item.

Consent Calendar

Consent Calendar items shall be adopted by a single vote unless removed by member request.

Administrative Matters

- 2. **Attendance Register** Pg. 6

A quorum shall consist of a majority of the membership of each SANBAG Policy Committee, except that all County Representatives shall be counted as one for the purpose of establishing a quorum.

- 3. **Procurement Report for January 2007** Pg. 8

Receive Monthly Procurement Report. **Terrence J. McGuire**

Notes/Actions

Discussion Items

Administrative Matters

4. **Second Quarter Budget to Actual Report for Period Ending December 31, 2006** Pg. 10

Receive Second Quarter Budget to Actual Report for Period Ending December 31, 2006. **Terrence J. McGuire**

5. **Request for Proposal (RFP) for Auditing Services** Pg. 18

Approve and release RFP 07-181 for SANBAG Auditing Services. **Cynthia Cordova/Terrence J. McGuire**

Program Support/Council of Govts.

6. **Caltrans Master Agreement for Federal Aid** Pg. 30

1) Approve Master Agreement between Caltrans (No. 08-6053R) and SANBAG (Contract No. C07514) which establishes standards for implementation of projects when SANBAG acts as an Administering Agency for Federal-Aid Projects.

2) Authorize the Executive Director to execute Program Supplements under Contract No. C07514 based upon SANBAG Board of Directors prior approval of the individual projects and costs. **Darren Kettle/Terrence J. McGuire**

7. **Smith, Watts and Company Contract Amendment for State Advocacy Services** Pg. 59

Approve Amendment No. 2 to Contract 03-007 for State Advocacy Services, which recognized the merger between Smith, Watts and Company and California Strategies. **Jennifer Franco**

CLOSED SESSION

PUBLIC EMPLOYEE EVALUATION (GOVERNMENT CODE SECTION 54957)

Public Employee Evaluation for the position of Executive Director

CONFERENCE WITH LABOR NEGOTIATOR (GOVERNMENT CODE SECTION 54957.6)

Conference Labor Negotiator Dennis Hansberger regarding
unrepresented position of Executive Director

CONFERENCE WITH LABOR NEGOTIATOR (GOVERNMENT CODE SECTION 54957.6)

Conference with labor negotiator Tony Grasso regarding
unrepresented employees.

8. Organizational Re-alignment

Pg. 64

Approve the strategy for SANBAG organizational re-alignment required for implementation of Measure I 2010-2040. **Tony Grasso**

Comments from Committee Members

Public Comment

ADJOURNMENT

Additional Information

Acronym List

Pg. 67

Complete packages of the SANBAG agenda are available for public review at the SANBAG offices. Staff reports for items may be made available upon request. For additional information call (909) 884-8276.

Meeting Procedures and Rules of Conduct

Meeting Procedures

The Ralph M. Brown Act is the state law which guarantees the public's right to attend and participate in meetings of local legislative bodies. These rules have been adopted by the Board of Directors in accordance with the Brown Act, Government Code 54950 et seq., and shall apply at all meetings of the Board of Directors and Policy Committees.

Accessibility

The SANBAG meeting facility is accessible to persons with disabilities. If assistive listening devices or other auxiliary aids or services are needed in order to participate in the public meeting, requests should be made through the Clerk of the Board at least three (3) business days prior to the Board meeting. The Clerk's telephone number is (909) 884-8276 and office is located at 1170 W. 3rd Street, 2nd Floor, San Bernardino, CA.

Agendas – All agendas are posted at 1170 W. 3rd Street, 2nd Floor, San Bernardino at least 72 hours in advance of the meeting. Staff reports related to agenda items may be reviewed at the SANBAG offices located at 1170 W. 3rd Street, 2nd Floor, San Bernardino and our website: www.sanbag.ca.gov.

Agenda Actions – Items listed on both the "Consent Calendar" and "Items for Discussion" contain suggested actions. The Board of Directors will generally consider items in the order listed on the agenda. However, items may be considered in any order. New agenda items can be added and action taken by two-thirds vote of the Board of Directors.

Closed Session Agenda Items – Consideration of closed session items *excludes* members of the public. These items include issues related to personnel, pending litigation, labor negotiations and real estate negotiations. Prior to each closed session, the Chair will announce the subject matter of the closed session. If action is taken in closed session, the Chair may report the action to the public at the conclusion of the closed session.

Public Testimony on an Item – Members of the public are afforded an opportunity to speak on any listed item. Individuals wishing to address the Board of Directors or Policy Committee Members should complete a "Request to Speak" form, provided at the rear of the meeting room, and present it to the Clerk prior to the Board's consideration of the item. A "Request to Speak" form must be completed for *each* item an individual wishes to speak on. When recognized by the Chair, speakers should be prepared to step forward and announce their name and address for the record. In the interest of facilitating the business of the Board, speakers are limited to three (3) minutes on each item. Additionally, a twelve (12) minute limitation is established for the total amount of time any one individual may address the Board at any one meeting. The Chair or a majority of the Board may establish a different time limit as appropriate, and parties to agenda items shall not be subject to the time limitations.

The Consent Calendar is considered a single item, thus the three (3) minute rule applies. Consent Calendar items can be pulled at Board member request and will be brought up individually at the specified time in the agenda allowing further public comment on those items.

Agenda Times – The Board is concerned that discussion take place in a timely and efficient manner. Agendas may be prepared with estimated times for categorical areas and certain topics to be discussed. These times may vary according to the length of presentation and amount of resulting discussion on agenda items.

Public Comment – At the end of the agenda, an opportunity is also provided for members of the public to speak on any subject within the Board's authority. *Matters raised under "Public Comment" may not be acted upon at that meeting. "Public Testimony on any Item" still apply.*

Disruptive Conduct – If any meeting of the Board is willfully disrupted by a person or by a group of persons so as to render the orderly conduct of the meeting impossible, the Chair may recess the meeting or order the person, group or groups of person willfully disrupting the meeting to leave the meeting or to be removed from the meeting. Disruptive conduct includes addressing the Board without first being recognized, not addressing the subject before the Board, repetitiously addressing the same subject, failing to relinquish the podium when requested to do so, or otherwise preventing the Board from conducting its meeting in an orderly manner. *Please be aware that a NO SMOKING policy has been established for meetings. Your cooperation is appreciated!*

- San Bernardino County Transportation Commission ■ San Bernardino County Transportation Authority
■ San Bernardino County Congestion Management Agency ■ Service Authority for Freeway Emergencies

Minute Action

AGENDA ITEM: 1

Date: February 14, 2007

Subject: Information Relative to Possible Conflict of Interest

Recommendation*: Note agenda items and contractors/subcontractors which may require member abstentions due to possible conflicts of interest.

Background: In accordance with California Government Code 84308, members of the Board of Directors may not participate in any action concerning a contract where they have received a campaign contribution of more than \$250 in the prior twelve months from an entity or individual. This agenda contains recommendations for action relative to the following contractors:

Item No.	Contract No.	Contractor/Agents	Subcontractors
7	03007-02	California Strategies Mark Watts, DJ Smith, Chris Micheli, Camden McEfee, Ted Harris, Jared Ficker	None

Financial Impact: This item has no direct impact on the 2006/2007 Budget.

Reviewed By: This item is prepared monthly for review by the Board of Directors and policy committee members.

<i>Approved</i> <i>Administrative Committee</i>	
Date: _____	
Moved: _____	Second: _____
In Favor: _____	Opposed: _____
Abstained: _____	
Witnessed: _____	

ADMINISTRATIVE COMMITTEE ATTENDANCE ROSTER - 2007

Name	Jan	Feb	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec
Paul Biane Board of Supervisors	X											
Robert Christman City of Loma Linda	X											
Kevin Cole City of Twentynine Palms	X											
Bea Cortes City of Grand Terrace	X											
Lawrence Dale City of Barstow	X											
Paul Eaton City of Montclair												
Josie Gonzales Board of Supervisors	X											
Dennis Hansberger Board of Supervisors	X											
Brad Mitzelfelt Board of Supervisors	X											
Gary Ovitt Board of Supervisors	X											
Gwenn Norton-Perry City of Chino Hills												
Rick Roelle Town of Apple Valley	X											

X - indicates member attended meeting. Crossed out box indicates was not a member at that time. The empty box indicates member who did not attend the meeting that month.

ADMINISTRATIVE COMMITTEE ATTENDANCE ROSTER - 2006

Name	Jan	Feb	March	April	May	June	July*	Aug	Sept	Oct	Nov	Dec
Paul Biane		X		X	X			X		X		
Kelly Chastain	X	X	X	X	X							
Robert Christman	X	X	X	X	X	X		X		X	X	X
Bea Cortes	X	X	X	X		X		X	X	X	X	X
Paul Eaton	X	X			X			X	X	X	X	X
Josie Gonzales	X					X		X	X			
James Lindley	X			X	X	X		X	X	X		
Dennis Hansberger	X	X	X	X		X			X	X	X	X
Darrell Mulvihill								X				
Gary Ovitt	X	X							X	X	X	X
Gwenn Norton-Perry		X		X		X		X		X	X	X
Bill Postmus								X	X			
Rick Roelle	X	X	X	X	X			X			X	

The crossed-out boxes indicate members who were not on the committee as of that month.

The empty boxes indicate member who did not attend the meeting that month.

*The Administrative Committee did not meet in July.

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- San Bernardino County Transportation Commission ■ San Bernardino County Transportation Authority
 - San Bernardino County Congestion Management Agency ■ Service Authority for Freeway Emergencies
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Minute Action

AGENDA ITEM: 3

Date: February 14, 2007

Subject: Procurement Report for January 2007

Recommendation:* Receive Monthly Procurement Report.

Background: The Board of Directors approved the Contracting and Procurement Policy (Policy No. 11000) on January 3, 1997. The Executive Director, or his designee, is authorized to approve Purchase Orders up to an amount of \$25,000. All procurements for supplies and services approved by the Executive Director, or his designee, in excess of \$5,000 shall be routinely reported to the Administrative Committee and to the Board of Directors.

Attached are the purchase orders in excess of \$5,000 to be reported to the Administrative Committee for the month of January 2007.

Financial Impact: This item imposes no impact on the FY 2006/2007 Budget. Presentation of the monthly procurement report will demonstrate compliance with the Contracting and Procurement Policy (Policy No. 11000).

Reviewed By: This item is scheduled for review by the Administrative Committee on February 14, 2007.

Responsible Staff: Terrence J. McGuire, Chief Financial Officer

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ISF07

Approved
Administrative Committee

Date: _____

Moved: _____ *Second:* _____

In Favor: _____ *Opposed:* _____ *Abstained:* _____

Witnessed: _____

PURCHASE ORDERS ISSUED FOR JANUARY 2007

P.O. #	Vendor	Purpose	Sole Source Y/N	Amount
P07183	Los Angeles Kings Hockey Club	LA Kings Partnership of St. Patrick's Day Special Promotion	Y	\$ 25,000.00
		TOTAL PURCHASE ORDERS ISSUED		\$ 25,000.00

- San Bernardino County Transportation Commission ■ San Bernardino County Transportation Authority
■ San Bernardino County Congestion Management Agency ■ Service Authority for Freeway Emergencies

Minute Action

AGENDA ITEM: 4

Date: February 14, 2007

Subject: Second Quarter Budget to Actual Report for Period Ending December 31, 2006

Recommendation:* Receive Second Quarter Budget to Actual Report for Period Ending December 31, 2006.

Background: SANBAG's Budget for Fiscal Year 2006-2007 for new activity was adopted by the Board of Directors on June 7, 2006. Upon finalization of the SANBAG audit, the encumbrances (commitments related to unperformed contracts for goods or services from the previous Fiscal Years) are presented for approval to be formally incorporated into the FY 2006-2007 Budget.

The following attachment provides a summary of program activity and task activity compared to the approved budget. Columns indicating the original budget, amended budget, total budget and year to date expenditures are identified.

Financial Impact: This item reports the status of expenditures against budget. The encumbrances for the associated expenditures were included in and are consistent with the FY 2006-2007 Budget.

Reviewed By: This item is scheduled for review by the Administrative Committee on February 14, 2007.

Responsible Staff: Terrence J. McGuire, Chief Financial Officer

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*Approved
Administrative Committee*

Date: _____

Moved:

Second:

In Favor:

Opposed:

Abstained:

Witnessed: _____

**San Bernardino Associated Governments
Budget to Actual - Fiscal Year 2006-2007
Consolidated by Program**

PERIOD: July 1, 2006 through December 31, 2006

FISCAL YEAR: July 1, 2006 through June 30, 2007

TASK DESCRIPTION	ORIGINAL BUDGET	BUDGET AMENDMENTS	ENCUMB.	TOTAL BUDGET	EXPEND.	BALANCE OF TASK
TOTAL REGIONAL & QUALITY OF LIFE PROGRAM	5,355,570	138,584	341,188	5,835,342	1,314,388	4,520,954
TOTAL SUBREG. TRANS. PLANNING & PROGRAMMING	3,982,962	5,528,236	2,765,468	12,276,666	853,993	11,001,474
TOTAL PROJECT DEVELOPMENT PROGRAM	157,115,178	12,373,275	44,945,627	214,434,080	49,184,562	165,249,518
TOTAL TRANSIT/COMMUTER RAIL PROGRAM	11,500,014	1,189,615	7,378,139	20,067,768	6,704,494	13,363,274
TOTAL TRANS. PROGRAMS & FUND ADMINISTRATION	125,370,035	0	33,806,007	159,176,042	58,987,865	100,188,177
TOTAL PROGRAM SUPPORT / COUNCIL of GVMTS PROG.	2,494,813	140,000	0	2,634,813	559,652	2,075,161
GRAND TOTALS	305,818,572	19,369,710	89,236,429	414,424,711	117,604,953	296,398,558

San Bernardino Associated Governments

PERIOD:

July 1, 2006 through December 31, 2006

Budget to Actual

FISCAL YEAR:

July 1, 2006 through June 30, 2007

REGIONAL & QUALITY OF LIFE PROGRAM

TASK#	TASK DESCRIPTION	ORIGINAL BUDGET	BUDGET AMENDMENTS	ENCUMBRANCES	TOTAL BUDGET	EXPEND.	BALANCE OF TASK	% EXPEND.
10107000	Air Quality Planning	62,995	0	0	62,995	20,751	42,244	32.94%
10207000	Air Quality Implementation	64,600	0	0	64,600	19,871	44,729	30.76%
11007000	Regional Transportation Planning	102,808	0	0	102,808	23,926	78,882	23.27%
11107000	Freight Movement	198,311	0	0	198,311	98,196	100,115	49.52%
11207000	Regional Growth Forecast Development	309,503	138,584	0	448,087	0	401,902	0.00%
11607000	Inland Trans. Corridor Plan/CETAP	125,163	0	0	125,163	2,892	122,271	2.31%
	I-15 Intermodal Corridor Study	0	0	0	0	0	0	#DIV/0!
40607000A	Rideshare Management	298,884	0	0	298,884	93,589	205,295	31.31%
40607000B	Inland Empire Commuter Services	331,400	0	0	331,400	8,732	322,668	2.63%
40607000C	Rideshare Incentive Programs	527,600	0	0	527,600	0	527,600	0.00%
40607000D	Regional Rideshare Programs	289,500	0	0	289,500	0	289,500	0.00%
	Rideshare Core Services	0	0	0	0	0	0	#DIV/0!
70207000	Call Box System	1,245,650	0	315,000	1,560,650	0	1,140,888	0.00%
70407000	Freeway Service Patrol/STATE	1,548,439	0	22,650	1,571,089	0	1,072,024	0.00%
70507000	Freeway Service Patrol/i-10	91,031	0	3,538	94,569	0	61,917	0.00%
70607000	Intelligent Transportation Systems	65,463	0	0	65,463	18,432	47,031	28.16%
81207000	Clean Fuels Implementation	94,223	0	0	94,223	30,335	63,888	32.19%
TOTAL REGIONAL & QUALITY OF LIFE PROGRAM		5,355,570	138,584	341,188	5,835,342	1,314,388	4,520,954	22.52%

San Bernardino Associated Governments

PERIOD:

July 1, 2006 through December 31, 2006

Budget to Actual

FISCAL YEAR:

July 1, 2006 through June 30, 2007

SUBREGIONAL TRANS. PLANNING & PROGRAMMING

TASK#	TASK DESCRIPTION	ORIGINAL BUDGET	BUDGET AMENDMENTS	ENCUMBRANCES	TOTAL BUDGET	EXPEND.	BALANCE OF TASK	% EXPEND.
20207000	Transp. Modeling & Forecasting	108,848	0	0	108,848	50,007	58,841	45.94%
20307000	Congestion Management	185,676	0	0	185,676	61,377	124,299	33.06%
40407000	Comprehensive Transportation Plan	98,884	0	15,578	114,462	25,660	88,802	22.42%
60107000	County Trans. Commission - GEN	301,049	0	0	301,049	143,325	157,724	47.61%
60907000	Agency Strategic Planning	333,576	0	150,000	483,576	133,505	350,071	27.61%
70107000	Valley Signal Coordination Program	1,842,088	4,818,236	1,050,403	7,710,727	111,082	7,599,645	1.44%
94107000	MT/Desert Plan & Project Develop	146,300	0.00	1,377,000	1,523,300	70,026	1,032,074	4.60%
94507000	Victor Valley Area Trans Study	529,608	645,000	172,487	1,347,095	76,299	1,270,796	5.66%
TOTAL SUBREGIONAL TRANS. PLANNING & PROG.		3,982,962	5,528,236	2,765,468	12,276,666	853,993	11,001,474	6.96%

San Bernardino Associated Governments

PERIOD:

July 1, 2006 through December 31, 2006

Budget to Actual

FISCAL YEAR:

July 1, 2006 through June 30, 2007

PROJECT DEVELOPMENT PROGRAM

TASK#	TASK DESCRIPTION	ORIGINAL			BUDGET			TOTAL			BALANCE		%
		BUDGET	AMENDMENTS	ENCUMBRANCES	BUDGET	AMENDMENTS	ENCUMBRANCES	BUDGET	EXPEND.	OF TASK	EXPEND.		
81507000	Measure I Program Management	1,042,418			0		13,085	1,055,503	587,776	467,727	55.69%		
81607000	Rt. 71 Right of Way Acquisition	791,996					8,723	800,719	98	800,621	0.01%		
81807000	Rt. 71 Landscape Design/Const.	345,895			133,275		20,138	499,308	222,047	277,261	44.47%		
82007000	SR 210 Final Design	506,270			0		36,809	543,079	399,556	143,523	73.57%		
82207000	SR 210 Right of Way Acquisition	20,998					34,362	55,360	66,751	-11,391	120.58%		
82407000	SR 210 Construction	40,644,881			200,000		26,154,950	66,999,831	25,213,654	41,786,177	37.63%		
83007000	I-215 SANRIV Project Development	760,084			0		820,470	1,580,554	32,603	1,547,952	2.06%		
83407000	I-215 Final Design	2,373,318			0		2,891,280	5,264,598	747,808	4,516,790	14.20%		
83607000	I-215 Right of Way Acquisition	18,126,251			6,000,000		10,974,573	35,100,824	8,274,637	26,826,187	23.57%		
83807000	I-215 Construction	9,912,864			0		107,234	10,020,098	108,873	9,911,225	1.09%		
84007000	I-215 Barton Road Interchange	0			0		25,000	25,000	7,713	17,287	30.85%		
84107000	I-10 Riverside Interchange	5,571,968			0		13,085	5,585,053	61,784	5,523,269	1.11%		
84207000	I-10 Tippecanoe Interchange	110,722			0		272,657	383,379	56,494	326,885	14.74%		
84307000	I-10 Live Oak Canyon	4,535,994			0		213,836	4,749,830	500,631	4,249,198	10.54%		
84407000	Sr 30/210 Victoria Avenue	291,996			0		8,723	300,719	0	300,719	0.00%		
84507000	I-10 Corridor Project Development	0			500,000			500,000	0	500,000	0.00%		
86007000	I-10 Lane Addition-Redlands	22,049,670			0		2,589,188	24,638,858	8,315,939	16,322,919	33.75%		
86207000	I-10 Westbound Lane Add-Yucaipa	504,885			0		175,773	680,658	123,806	556,851	18.19%		
87007000	Hunts Lane Grade Separation	2,890,994			0		8,723	2,899,717	69,323	2,830,394	2.39%		
87107000	State St/Univ. Parkway Grade Sep	7,566,021			0		300,000	7,866,021	1,049,242	6,816,779	13.34%		
87207000	Ramona Grade Separations	0			5,040,000			5,040,000	0	5,040,000	0.00%		
87907000	Coltons Crossing BNSF/UPRR Grade SEP	1,050,000			0		0	1,050,000	2	1,049,998	0.00%		
88007000	I-15/I-215 Devore Interchange	0			500,000		0	500,000	3400.18	496,600	0.68%		
93107000	Debt Service - Major/97 Issue	10,521,981			0			10,521,981	948,491	9,573,490	9.01%		
94407000	Debt Service - Major/96 Issue	5,668,504			0			5,668,504	605,081	5,063,423	10.67%		
94807000	Debt Service - Major/01 Issue A	11,722,563			0			11,722,563	976,281	10,746,282	8.33%		
94907000	Debt Service - Major/01 Issue B	10,104,905			0			10,104,905	777,841	9,327,064	7.70%		
TOTAL PROJECT DEVELOPMENT PROGRAM		157,115,178			12,373,275		44,945,627	214,434,080	49,184,562	165,249,518	22.94%		

San Bernardino Associated Governments

PERIOD:

July 1, 2006 through December 31, 2006

Budget to Actual

FISCAL YEAR:

July 1, 2006 through June 30, 2007

TRANSIT / COMMUTER RAIL PROGRAM

TASK#	TASK DESCRIPTION	ORIGINAL BUDGET	BUDGET AMENDMENTS	ENCUMBRANCES	TOTAL BUDGET	EXPEND	BALANCE OF TASK	% EXPEND.
30907000	General Transit	178,652	0	212,314	390,966	212,413	178,553	54.33%
31507000	Omnitrans	60,100	0		60,100	24,289	35,811	40.41%
31607000	Barstow-County Transit	23,998	0		23,998	2,130	21,868	8.88%
31707000	Victor Valley Transit	40,427	0		40,427	12,239	28,188	30.27%
31807000	Morongo Basin Transit	129,686	0		129,686	7,020	122,666	5.41%
31907000	Social Service Trans. Plan	284,065	0	7,000	291,065	38,074	252,991	13.08%
32007000	Needles Transit	12,305	0		12,305	7,746	4,559	62.95%
32107000	Mountain Area Transit	126,492	0		126,492	12,851	113,641	10.16%
35207000	General Commuter Rail	493,240	0	211,386	704,626	171,306	533,320	24.31%
37707000	Commuter Rail Operating Exp.	7,452,600	0	87,300	7,539,900	3,484,716	4,055,184	46.22%
37807000	Speedway Rail Operating Exp.	256,175	0		256,175	88,117	168,058	34.40%
37907000	Commuter Rail Capital Expenses	2,378,775	1,189,615	6,379,059	9,947,449	2,518,529	7,428,920	25.32%
38007000	Redlands Rail Extension	36,275	0	153,945	190,220	122,107	68,113	64.19%
38107000	Gold Line Phase II	27,224	0	327,136	354,360	2,955	351,405	0.83%
TOTAL TRANSIT / COMMUTER RAIL PROGRAM		11,500,014	1,189,615	7,378,139	20,067,768	6,704,494	13,363,274	33.41%

San Bernardino Associated Governments

PERIOD: July 1, 2006 through December 31, 2006

Budget to Actual

FISCAL YEAR: July 1, 2006 through June 30, 2007

TRANSPORTATION PROGRAMS & FUND ADMIN. PROGRAM

TASK#	TASK DESCRIPTION	ORIGINAL BUDGET	BUDGET AMENDMENTS	ENCUMBRANCES	TOTAL BUDGET	EXPEND.	BALANCE OF TASK	% EXPEND.
37307000	Federal/State Fund Administration	337,558.00	0	0	337,558	136,391	201,167	40.41%
50107000	Federal/Transit Act Programming	102,340.00	0	8,000	110,340	40,755	69,585	36.94%
50207000	TDA Administration	300,000.00	0	19,855	319,855	87,703	232,152	27.42%
50407000	Measure I Admin - Valley	253,929.00	0	1,685	255,614	28,000	227,614	10.95%
50507000	Measure I Admin - Mt./Desert General	150,474.00	0	2,205	152,679.00	37,822.63	114,856.37	24.77%
50607000	Local Transportation Fund	66,546,774.00	0.00	20,266,164.00	86,812,938.00	29,014,526.00	57,798,412.00	33.42%
50707000	State Transit Assistance Fund	4,255,000	0	12,964,696	16,110,603	1,694,846	14,415,757	10.52%
51307000	Measure I Valley E&D	6,769,571	-6,763,508	543,402	549,465	2,542	546,923	0.46%
90707000	Debt Service - Big Bear/92 Issue	108,183.00	0	0	108,183	11,548	96,635	10.67%
90807000	Debt Service - Mt./Unincorpor./92 Issue	45,926.00	0	0	45,926	4,905	41,021	10.68%
9180000	Valley Measure I Local	22,577,225.00	0	0	22,577,225	12,098,207	10,479,018	53.59%
9180100	Mountain/Desert Measure I Local	23,012,810.00	0	0	23,012,810	13,872,649	9,140,161	60.28%
94607000	Debt Service - Barstow/96 Issue	743,850.00	0	0	743,850	79,197	664,653	10.65%
95007000	Debt Service - Yucca Valley/01 Issue B	166,395.00	0	0	166,395	12,809	153,586	7.70%
TOTAL TRANSP. PROGRAMS & FUND ADMIN.		125,370,035.00	0.00	33,806,007.00	159,176,042.00	58,987,865.38	100,188,176.62	37.06%

*City of Barstow Capital Budget understated - correction to Encumbrance see main task

San Bernardino Associated Governments

PERIOD: July 1, 2006 through December 31, 2006

Budget to Actual

FISCAL YEAR: July 1, 2006 through June 30, 2007

PROGRAM SUPPORT/COUNCIL OF GOVERNMENTS PROG.

TASK#	TASK DESCRIPTION	ORIGINAL BUDGET	BUDGET AMENDMENTS	ENCUMBRANCES	TOTAL BUDGET	EXPEND.	BALANCE OF TASK	% EXPEND.
10407000	Intergovernmental Relations	491,108	0	0	491,108	130,263	360,845	26.52%
49007000	Council of Govts. New Initiatives	279,843	0	0	279,843	0	279,843	0.00%
50307000	Legislation	475,222	0	0	475,222	141,432	333,790	29.76%
60507000	Publications & Public Outreach	499,608	0	0	499,608	212,421	287,187	42.52%
80507000	Building Operations	406,000	0	0	406,000	40,259	365,741	9.92%
80507000	Building Operations	400,000	0	0	400,000	38,154	361,846	9.54%
80507001	Building Operations ISF portion	6,000	0	0	6,000	2,105	3,895	35.09%
94207000	Financial Management	343,032	140,000	0	483,032	35,277	447,755	7.30%
TOTAL PROGRAM SUPPORT/COUNCIL of GVMTS PROG.		2,494,813	140,000	0	2,634,813	559,652	2,075,161	21.24%

GRAND TOTALS	305,818,572	19,369,710	89,236,429	414,424,711	117,604,953	296,398,558	28.38%
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- San Bernardino County Transportation Commission ■ San Bernardino County Transportation Authority
 - San Bernardino County Congestion Management Agency ■ Service Authority for Freeway Emergencies
-

Minute Action

AGENDA ITEM: 5

Date: February 14, 2007

Subject: Request for Proposal (RFP) for Auditing Services

Recommendation:* Administrative Committee authorization and approval to release RFP 07-181 for SANBAG Auditing Services.

Background: McGladrey & Pullen has been the SANBAG auditors for a number of years. The current Measure I Program used the services of various investment banking firms for the underwriting of bond issues.

Pursuant to policy direction, SANBAG is required that this type of contract be awarded on the basis of demonstrated competence and on the professional qualifications necessary for the satisfactory performance of the services at a fair and reasonable price to SANBAG. Such selection shall take into consideration prior experience of the firm and/or representatives, understanding of work to be completed, knowledge of the working environment, and particular skills and expertise of the firm and/or representatives proposed for the function.

Included in the agenda packet is a copy of the RFP for the auditing services. The RFP defines the schedule for the selection process, the purpose of the request and the evaluation process and a list of issues expected to be addressed in the response.

Approved
Administrative Committee

Date: _____

Moved: _____ *Second:* _____

In Favor: _____ *Opposed:* _____ *Abstained:* _____

Witnessed: _____

Approval of the release of the RFP prior to Board action will facilitate the schedule to have the contract with the auditor approved by June.

Financial Impact: There is no financial impact of this item at this time.

Reviewed By: This item is scheduled for review by the Administrative Committee on February 14, 2007.

Responsible Staff: Terrence J. McGuire, Chief Financial Officer

San Bernardino Associated Governments

Request for Proposals No. 07-181 for

Professional Auditing Services

This Request for Proposal (RFP) describes San Bernardino Associated Governments (SANBAG) need for professional auditing services. It is organized into the following sections:

- I. Introduction
- II. Purpose of the Request
- III. Evaluation Process
- IV. Selection Timetable
- V. Scope of Service
- VI. Format for Proposals
- VII. Award of the Contract
- VIII. Appendix

I. Introduction

A. General Information

San Bernardino Associated Governments is the council of governments and transportation planning agency governed by the mayors of twenty-four cities and the five San Bernardino County Supervisors. SANBAG serves the 1.9 million residents of San Bernardino County. Membership includes the County of San Bernardino and all cities within the County: Adelanto, Barstow, Big Bear Lake, Chino, Chino Hills, Colton, Fontana, Grand Terrace, Hesperia, Highland, Loma Linda, Montclair, Needles, Ontario, Rancho Cucamonga, Redlands, Rialto, San Bernardino, Twentynine Palms, Upland, Victorville, Yucaipa, and the Towns of Apple Valley and Yucca Valley.

Since its creation as a council of governments in 1973, SANBAG has been designated to serve as several additional authorities, created primarily by statute, which are all organized under the umbrella of the council of governments. These authorities are listed below:

- As the **County Transportation Commission**, SANBAG is responsible for short and long range transportation planning within San Bernardino County, including coordination and approval of all public mass transit service, approval of all capital projects for mass transit and highway projects, and determination of staging such projects in the Transportation Improvement Program. As the designated transportation planning agency for San Bernardino County, SANBAG administers Local Transportation and State Transit Assistance Funds.

- As the **Service Authority for Freeway Emergencies**, SANBAG operates a system of approximately 1,600 call boxes on state freeways and highways within San Bernardino County.
- As the **County Transportation Authority**, SANBAG is responsible for the administration of the voter-approved half cent transportation transactions and use tax which will raise over \$1.8 billion through 2010 for funding of major freeway construction, commuter rail service, local street and road improvements, special transit service for the elderly and disabled population, and traffic management and environmental enhancement efforts.
- As the **Congestion Management Agency**, SANBAG monitors the performance level of the regional transportation system in a manner which ensures consideration of the impacts of new development on the system and promotes air quality through implementation of strategies in the adopted air quality plans.
- As a **Sub-regional Planning Agency**, SANBAG represents the San Bernardino County area with the Southern California Association of Governments in carrying out its functions as the metropolitan planning organization. SANBAG performs studies and develops consensus relative to input into regional growth forecasts, regional transportation plans, and mobile source components of the air quality plans.

II. Purpose of the Request

A. General Statement

San Bernardino Associated Governments (SANBAG) is requesting proposals from qualified firms of certified public accountants to audit its financial statements for the fiscal year ending June 30, 2007. SANBAG requires an audit of its basic financial statements in accordance with generally accepted accounting principles and the governmental auditing standards as promulgated by the Comptroller General of the United States. Additionally, this audit should include compliance with covenants and related testing as required by the indenture for SANBAG's Sales Tax Revenue Bonds.

B. Term and Conditions

Proposals are requested for a three year period starting with the Fiscal Year ending June 30, 2007. The initial engagement will be for a three (3) year period. In addition, SANBAG shall have the option to extend the engagement for up to two (2) additional years, one year at a time. The option years shall be exercised by written amendments executed by the parties. After the initial year, the engagement shall be renewed, on a year-to-year basis, at a mutually acceptable fee. Such renewal engagement shall be confirmed in writing.

Responses to this RFP become the exclusive property of SANBAG. At such time as firms are selected and their names made public, all proposals submitted shall be regarded as public records.

The Agency considers its relationship with its independent auditor to be a professional one. Although this is a formal selection process, the Agency reserves the right to decline acceptance of any and all proposals, to negotiate engagement conditions with the selected firm and to waive provisions of the RFP at its sole discretion.

C. Subcontracting

No Subcontracting will be allowed without prior written consent from SANBAG.

III. Evaluation Process

A. General Description

Firms are requested to respond to this solicitation in the manner more fully described in Section VI below.

Authority and local Agency staff will review and evaluate the responses received against the evaluation criteria listed below.

The proposals will be reviewed and selected firms will be short listed, interviewed and the final recommendation will be presented to the Administrative Committee and approved by the Board of Directors.

B. Evaluation Criteria

1. Qualification and experience of the firm. This will be evaluated based on the breadth and depth of the firm's experience as a whole in the performance of comparable audit assignments.
2. Qualification and experience of the individuals assigned to perform the work. This will be based on the resumes of the individuals who will actually oversee and perform the work, especially those senior staff committed to participation in the work.
3. Organization of the work and management plan. This will be based on the proposed approach to organizing, managing, and implementing the necessary tasks and the ability of the firm to complete the assignment by December 20 of each year.
4. Demonstrated understanding of the Agency's needs and proposed method of

approach. This will be based on the preliminary description of the proposed approach to providing the required scope of services. This will give credit to firms who demonstrate insight, needed emphasis, priority, innovative thinking and ability to function as an integral member of SANBAG's financial management team.

5. References for comparable past work. This will be based on references from several clients where comparable work was performed.
6. Cost. Cost will be a significant factor when other evaluation criteria are relatively equal.
7. Location of firm. SANBAG's local preference policy assigns up to 10% local preference credit if the firm's main office, headquarters, or major regional office is in San Bernardino County.
8. Actual or Potential Conflict of Interest. This will be based on an assessment of the firm's client list and the extent to which the firm may represent related entities whose interest may conflict with SANBAG.

IV. Selection Timetable

The following timetable will apply to this RFP.

<u>Item</u>	<u>Date(s)</u>
Release RFP	02/15/07
Proposals Due - 3:00 p.m.	03/13/07
Determination of Short List	03/13/07 – 03/19/07
Interviews	03/29/07 – 03/30/07
Recommendation to the Administrative Committee	04/11/07
Admin Committee recommendation to the Board of Directors	05/02/07

V. Scope of Services

A. Auditing Standards to be Followed

The audit shall be performed so as to satisfy the audit requirements in accordance with the generally accepted government auditing standards set forth for financial audits in the General Accounting Office's (GAO) Government Auditing Standards (1994), the Single Audit Act of 1984, as amended, and U.S. Office of Management and Budget (OMB) Circular A-133 and OMB's Compliance Supplement titled Uniform Requirements for Grants to State and Local Governments.

The examination shall also include an audit of the County's Local Transportation Fund (LTF) and the State Transit Assistance Fund (STAF) in accordance with

California Code of Regulations Section 6661 for LTF and Section 6751 for STAF.

B. Reports to be Issued

Following the completion of the audit of the fiscal year's financial statements, the Auditor shall issue the following reports and letters:

1. Independent Auditor's report on Basic Financial Statements
2. Independent Auditor's Single Audit Report
3. Local Transportation Fund Financial and Compliance Report
4. State Transit Assistance Fund Financial and Compliance Report
5. Report on Applying Agreed Upon Procedures for Appropriations Limit Calculation
6. Audit Committee Letter
7. Management Letter (if required)

C. Additional Considerations

1. It is expected that the firm which is selected shall keep the Agency informed of new state and national developments affecting municipal and local government finance. Additionally, reporting standards and trends including changes in federal/state grant program accounting and reporting requirements shall be communicated to the Agency.
2. SANBAG requires that the auditor's scope of service includes up to 20 hours a year of consulting time. Should SANBAG require additional audits/services outside of the scope listed above, fees will be established at the time such services are determined to be necessary.
3. The auditor shall provide the Chief Financial Officer with periodic progress reports during the course of the field work. These reports shall identify problems encountered or foreseen, deficiencies in work being performed by Agency staff, disagreements over the application of accounting principles and other items which could result in delay of the audit work. The auditors shall observe the adequacy of the systems of internal control, accounting procedures and other significant observations.
4. The auditors should be prepared to attend at least one Administrative Committee meeting and one Board of Directors' meeting to present the reports and respond to any inquiries.

5. After the completion of the audit, the auditors will deliver seventy-five (75) bound copies of the final SANBAG Audit and forty (40) bound copies of the final LTF and STAF audits.

D. Working Paper Retention and Access to Working Papers

All working papers and reports must be retained, at the auditor's expense, for a minimum of three (3) years, unless the firm is notified in writing by SANBAG of the need to extend the retention period. The auditor is required to make working papers available, upon request, to the following parties or their designees:

1. San Bernardino Associated Governments
2. Parties designated by the federal or state government or by SANBAG as part of an audit quality review process
3. Auditors of entities of which SANGAG is a sub-recipient of grant funds
4. In addition, the firm shall respond to the reasonable inquiries of successor auditors and allow successor auditors to review working papers relating to matters of continuing accounting significance.

VI. Format for Proposals

A. General

The cost of preparing, submitting and presenting a proposal is at the sole cost and expense of the offeror.

B. Instructions

1. The offeror should prepare its proposal using the order and designations as presented in the Scope of Proposals below.
2. The offeror shall submit five (5) copies of its proposal to:
Mr. Terrence J. McGuire
Chief Financial Officer
San Bernardino Associated Governments
1170 W. 3rd Street, 2nd Floor
San Bernardino, CA 92410
3. Proposals must be received at the above address no later than 3:00 p.m. on March 13, 2007. Faxes, late submissions, or proposal modifications will not be accepted after the closing date.

4. Any inquiries concerning the RFP should be made to Cynthia A. Cordova, Accounting Manager, (909) 884-8276, ext.162.
5. No contacts of any kind shall be made with Board members, their staffs, or SANBAG staff other than as provided above. It is intended that the selection shall be made on merit alone within the process set forth. Violation of this condition shall be cause for immediate rejection of the proposal.

C. Scope of Proposal

You must provide the following information and your proposal should be concise and responsive. It should be no longer than 30 pages in length.

1. Title Page

Show the Request for Proposal subject, the name of your firm, local address and telephone number, name of contact person and date of the proposal.

2. Table of Contents

Clearly identify the material by section and page number.

3. Letter of Transmittal - Limit to one or two pages

- a. Briefly state your firm's understanding of the work to be done; including any segregation of audit work to be performed, a comment on the firm's ability to make a commitment to perform the work in a timely manner and a statement as to why the firm believes to be best qualified to perform the engagement.
- b. Give the names of the persons who will be authorized to make representations for your firm, their titles, addresses and telephone numbers.

4. Profile of the Organization, Technical Qualifications and Approach

- a. Provide a description of firm or firms proposed to perform the audit(s). State the size of the firm, the size of the firm's governmental audit staff, and the location of the office from which the work on this engagement is to be performed.
- b. Indicate the number of personnel (by level) located within the proposing office that will perform the audit.

- c. The firm is required to submit a copy of the report on its most recent external quality control review, with a statement whether the quality control review included a review of specific government engagements.
- d. Describe the range of activities performed by the proposing office, such as audits, accounting, tax services or management services.
- e. Provide a list of current and prior government, council of governments and joint powers authority, transit operator and TDA audit clients, including telephone number and contact person's name, indicating the types of services performed and the number of years served.
- f. Describe your approach to the audit. This should include at least the following points:
 - (1) Type of audit program used.
 - (2) Use of statistical sampling.
 - (3) Use of computer audit specialists.
 - (4) Organization of the audit team and the proposed number of hours to be assigned to each proposed segment of the engagement.
 - (5) Types of assistance expected from Agency staff.
 - (6) Approach to be taken to gain and document an understanding of the agency and its functions. Preliminary work may begin upon engagement approval.

5. Summary of Individual Audit Staff Technical Qualifications

Identify the partners, managers and supervisors who will participate in the audit, including staff other than from the proposing office. Include resumes for each supervisory person to be assigned to the audit. Identify the percentage of time key members will work on the audit. Be sure to include information on the government auditing experience of each person, including any relevant continuing professional education and/or membership in professional organizations as they pertain to this audit.

6. Local Presence Report

A report providing specific information regarding the firm's local operation will be required. Please refer to Appendix A, Contracting and Procurement Policy, #11000, Section 7.C Local Preference Policy.

7. Fee Proposal

The fee proposal shall contain cost information for each area of audit work as defined in Section V and shall include the method by which the annual fees will be increased (i.e. CPI) during the three year engagement.

8. Payment

Invoices may be submitted on a progress basis, according the hours of work completed during the course of the engagement. Ten percent (10%) will be withheld from each billing pending delivery of the firm's final reports.

VII. Award of Contract

The Authority reserves the right to reject any and all proposals or to appoint one or more advisors. Award of the contract will be made to the firm, in the sole opinion of the Authority which will provide the best service, and best meets the needs of the Authority.

The Authority is under no obligation to accept the lowest bidder. The Authority reserves the right to further negotiate services and costs which are proposed.

The terms and conditions of the work shall be set forth in a final Professional Services Contract to be negotiated. The engagement shall be for three years with two options for an additional year.

VIII. Appendix

C. Local Preference Policy

1. The term "local" shall apply only to San Bernardino County until or unless an agreement with Riverside County Transportation Commission and/or other Riverside County agencies can be executed to define "local" as relating to the greater Inland Empire (both Riverside and San Bernardino Counties).

2. The purpose of this policy is to encourage firms to locate and remain in San Bernardino County and to promote economic development in San Bernardino County.

3. It is the policy of SANBAG to utilize the services of local consultants/firms to provide consulting services. SANBAG will award up to a 10 percent credit to local consultants/firms submitting Statements of Qualifications for professional services and consulting work. This policy shall not apply to contracts required under state law to be awarded on the basis of competitive bid.

4. This policy shall not retroactively apply to any existing contracts.

5. Firms shall be defined as follows:

A. Local. A firm shall be considered local and be awarded full 10 percent local preference credit, if the firm's main, or headquarters, or major regional office is in San Bernardino County. For this policy, a major regional office is defined as a business location apart from the headquarters which:

- Has been issued a business license, if required, and has been established and open for a minimum of six months prior to the date that the SANBAG Board or Executive Director authorizes the circulation of an RFP/RFQ for any contract it which it responds, and
- Can demonstrate on-going business activity in the field of endeavor on which they are proposing from that office during the preceding six months, and
- Has a minimum of one senior management employee and nine regular employees working full time from the San Bernardino County location.

B. Partly Local Firm. A firm headquartered elsewhere with a branch office in San Bernardino County shall be considered partly local and receive 5 percent credit when it:

- Has been issued a business license, if required, and has been established and open for a minimum of six months prior to the date that the SANBAG Board or Executive Director authorizes the circulation of an RFP/RFQ for any contract it which it responds, and
- Can demonstrate on-going business activity in the field of endeavor on which they are proposing from that office during the preceding six months, and
- One senior management employee and four regular employees work at the partly local office.

C. Non-local Firm. A firm not fulfilling all the requirements of the preceding paragraph 5B shall be awarded 2.5 percent local preference credit on a graduated basis in keeping with the extent to which those requirements are satisfied by their sub consultants (e.g., 25 percent of the work in question to be performed by local sub consultants will warrant 25 percent of the local preference credit allowable for partly local firms).

6. A "local presence report" providing specific information regarding the firm's local operation will be required as part of the Statement of Qualifications. For information purposes, all firms submitting proposals will be requested to prepare and provide a breakdown of those employees proposed to be engaged in the contracted work in the local office by county of residence.

7. Firms with no existing local office for a minimum of six months prior to the time that the SANBAG Board authorizes the circulation of the RFQ/RFP shall be awarded no local preference credit.

8. This policy shall not apply in contracts where federal funds are involved.

- San Bernardino County Transportation Commission ■ San Bernardino County Transportation Authority
■ San Bernardino County Congestion Management Agency ■ Service Authority for Freeway Emergencies

Minute Action

AGENDA ITEM: 6

Date: February 14, 2007

Subject: Caltrans Master Agreement for Federal Aid

- Recommendation:**
- 1) Approve Master Agreement between Caltrans (No. 08-6053R) and SANBAG (Contract No. C07514) which establishes standards for implementation of projects when SANBAG acts as an Administering Agency for Federal-Aid Projects.
 - 2) Authorize the Executive Director to execute Program Supplements under Contract No. C07514 based upon SANBAG Board of Directors prior approval of the individual projects and costs.

Background: This document establishes general requirements and agreements between Caltrans and SANBAG when SANBAG acts as Administering Agency for projects funded with federal funds. This agreement replaces previous SANBAG/Caltrans Agreement No. 08-6053, and incorporates new provisions of the Intermodal Surface Transportation Efficiency Act (ISTEA) of 1991 and subsequent Transportation Authorization Bills.

The master agreement sets out general provisions required for federal aid projects. Specific projects will be carried out by Program Supplements to this agreement which establishes specific dollar amounts and specific conditions of the individual projects. To continue the current practice, this item also authorizes the Executive Director to sign Program Supplements, provided that the SANBAG Board of

*

Approved
Administrative Committee

Date: _____

Moved:

Second:

In Favor:

Opposed:

Abstained:

Witnessed: _____

Directors has taken prior action to approve specific projects and the associated costs.

Financial Impact: This item has no impact upon the SANBAG budget. It does provide for expedient processing of Program Supplements in those cases where the SANBAG Board has approved projects and fund allocations when SANBAG is acting as the project Administering Agency.

Reviewed By: This item is scheduled for review by the Administrative Committee on February 14, 2007. The agreement was reviewed as to form by SANBAG Counsel.

Responsible Staff: Terrence J. McGuire, Chief Financial Officer

SANBAG Contract No. C07154

by and between

San Bernardino Associated Governments

and

CALTRANS

for

Master Agreement for Federal Aid Projects**FOR ACCOUNTING PURPOSES ONLY**

<input type="checkbox"/> Payable	Vendor Contract # <u>08-6053R</u>	Retention:	<input type="checkbox"/> Original
<input checked="" type="checkbox"/> Receivable	Vendor ID _____	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No	<input type="checkbox"/> Amendment

Notes: Based upon Program/Project Supplements

Original Contract:	\$ <u>-0-</u>	Previous Amendments Total:	\$ _____
		Previous Amendments Contingency Total:	\$ _____
Contingency Amount:	\$ <u>-0-</u>	Current Amendment:	\$ _____
		Current Amendment Contingency:	\$ _____

Contingency Amount requires specific authorization by Task Manager prior to release.

Contract TOTAL → \$ -0-

↓ Please include funding allocation for the original contract or the amendment.

Task	Cost Code	Funding Sources	Grant ID	Amounts
<u>94207000</u>	<u>NA</u>	_____	_____	\$ <u>-0-</u>
_____	_____	_____	_____	\$ _____
_____	_____	_____	_____	\$ _____
_____	_____	_____	_____	\$ _____

Original Board Approved Contract Date: 3/7/07 Contract Start: 3/7/07 Contract End: 3/7/17
 New Amend. Approval (Board) Date: _____ Amend. Start: _____ Amend. End: _____

If this is a multi-year contract/amendment, please allocate budget authority among approved budget authority and future fiscal year(s)-unbudgeted obligations:

Approved Budget Authority →	Fiscal Year: <u>06/07</u> \$ <u>-0-</u>	Future Fiscal Year(s) – Unbudgeted Obligation →	\$ <u>-0-</u>
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Is this consistent with the adopted budget? ☒ Yes ☐ NoIf yes, which Task includes budget authority? NAIf no, has the budget amendment been submitted? ☐ Yes ☐ No**CONTRACT MANAGEMENT**

Please mark an "X" next to all that apply:

☒ Intergovernmental ☐ Private ☐ Non-Local ☐ Local ☐ Partly Local
Disadvantaged Business Enterprise: ☒ No ☐ Yes _____ %Task Manager: **Terry McGuire**Contract Manager: **Darren Kettle**

Task Manager Signature

Date

Contract Manager Signature

Date

Chief Financial Officer Signature

Date

Filename:

MASTER AGREEMENT
ADMINISTERING AGENCY-STATE AGREEMENT FOR
FEDERAL-AID PROJECTS

08 San Bernardino Associated Governments

District Administering Agency

Agreement No. 08-6053R

This AGREEMENT, is entered into effective this _____ day of _____, 2006, by and between the San Bernardino Associated Governments, hereinafter referred to as "ADMINISTERING AGENCY," and the State of California, acting by and through its Department of Transportation (Caltrans), hereinafter referred to as "STATE, and together referred to as "PARTIES" or individually as a "PARTY."

RECITALS:

1. WHEREAS, the Congress of the United States has enacted the Intermodal Surface Transportation Efficiency Act (ISTEA) of 1991 and subsequent Transportation Authorization Bills to fund transportation programs. These transportation programs include, but are not limited to, the Surface Transportation Program (STP), the Congestion Mitigation and Air Quality Improvement Program (CMAQ), the Transportation Enhancement Program (TE), Highway Safety Improvement Program (HSIP) and the Highway Bridge Program (HBP) (collectively the "PROGRAMS"); and
2. WHEREAS, the Legislature of the State of California has enacted legislation by which certain federal-aid funds may be made available for use on local transportation related projects of public entities qualified to act as recipients of these federal-aid funds in accordance with the intent of federal law; and
3. WHEREAS, before federal-funds will be made available for a specific program project, ADMINISTERING AGENCY and STATE are required to enter into an agreement to establish terms and conditions applicable to the ADMINISTERING AGENCY when receiving federal funds for a designated PROJECT facility and to the subsequent operation and maintenance of that completed facility.

NOW, THEREFORE, the PARTIES agree as follows:

ARTICLE I - PROJECT ADMINISTRATION

1. This AGREEMENT shall have no force or effect with respect to any program project unless and until a project-specific Program Supplement to this AGREEMENT for federal-aid projects, hereinafter referred to as "PROGRAM SUPPLEMENT", has been fully executed by both STATE and ADMINISTERING AGENCY.
2. The term "PROJECT", as used herein, means that authorized transportation related project and related activities financed in part with federal-aid funds as more fully-described in an "Authorization/ Agreement Summary" or "Amendment/Modification Summary", herein referred to as "E-76" or "E-76 (AMOD)" document authorized by STATE or the Federal Highway Administration (FHWA).
3. The E-76/E-76(AMOD) shall designate the party responsible for implementing PROJECT, type of work and location of PROJECT.
4. The PROGRAM SUPPLEMENT sets out special covenants as a condition for the ADMINISTERING AGENCY to receive federal-aid funds from/through STATE for designated PROJECT. The PROGRAM SUPPLEMENT shall also show these Federal Funds that have been initially encumbered for PROJECT along with the matching funds to be provided by ADMINISTERING AGENCY and/or others. Execution of PROGRAM SUPPLEMENT by the PARTIES shall cause ADMINISTERING AGENCY to adopt all of the terms of this AGREEMENT as though fully set forth therein in the PROGRAM SUPPLEMENT. Unless otherwise expressly delegated in a resolution by the governing body of ADMINISTERING AGENCY, and with written concurrence by STATE, the PROGRAM SUPPLEMENT shall be approved and managed by the governing body of ADMINISTERING AGENCY.
5. ADMINISTERING AGENCY agrees to execute and return each project-specific PROGRAM SUPPLEMENT within ninety (90) days of receipt. The PARTIES agree that STATE may suspend future authorizations/obligations and invoice payments for any on-going or future federal-aid project performed by ADMINISTERING AGENCY if any project-specific PROGRAM SUPPLEMENT is not returned within that ninety (90) day period unless otherwise agreed by STATE in writing.
6. ADMINISTERING AGENCY further agrees, as a condition to the release and payment of Federal Funds encumbered for the PROJECT described in each PROGRAM SUPPLEMENT, to comply with the terms and conditions of this AGREEMENT and all of the agreed-upon Special Covenants or Remarks incorporated within the PROGRAM SUPPLEMENT, and Cooperative/Contribution Agreement where appropriate, defining and identifying the nature of the specific PROJECT.
7. Federal, State and matching funds will not participate in PROJECT work performed in advance of the approval of the E-76 or E-76 (AMOD), unless otherwise stated in the executed project-specific PROGRAM SUPPLEMENT. ADMINISTERING AGENCY agrees that it will only proceed with the work authorized for that specific phase(s) on the project-specific E-76 or E-76 (AMOD). ADMINISTERING AGENCY further agrees to not proceed with future phases of PROJECT prior to receiving an E-76 (AMOD) from STATE for that phase(s) unless no Further Federal funds are

needed or for those future phase(s).

8. That PROJECT or portions thereof, must be included in a federally approved Federal Statewide Transportation Improvement Program (FSTIP) prior to ADMINISTERING AGENCY submitting the "Request for Authorization".

9. ADMINISTERING AGENCY shall conform to all State statutes, regulations and procedures (including those set forth in the Local Assistance Procedures Manual and the Local Assistance Program Guidelines, hereafter collectively referred to as "LOCAL ASSISTANCE PROCEDURES") relating to the federal-aid program, all Title 23 federal requirements, and all applicable federal laws, regulations, and policy and procedural or instructional memoranda, unless otherwise specifically waived as designated in the executed project-specific PROGRAM SUPPLEMENT.

10. If PROJECT is not on STATE-owned right of way, PROJECT shall be constructed in accordance with LOCAL ASSISTANCE PROCEDURES that describes minimum statewide design standards for local agency streets and roads. LOCAL ASSISTANCE PROCEDURES for projects off the National Highway System (NHS) allow STATE to accept either the STATE's minimum statewide design standards or the approved geometric design standards of ADMINISTERING AGENCY. Additionally, for projects off the NHS, STATE will accept ADMINISTERING AGENCY-approved standard specifications, standard plans, materials sampling and testing quality assurance programs that meet the conditions described in the then current LOCAL ASSISTANCE PROCEDURES.

11. If PROJECT involves work within or partially within STATE-owned right-of-way, that PROJECT shall also be subject to compliance with the policies, procedures and standards of the STATE Project Development Procedures Manual and Highway Design Manual and where appropriate, an executed cooperative agreement between STATE and ADMINISTERING AGENCY that outlines the PROJECT responsibilities and respective obligations of the PARTIES. ADMINISTERING AGENCY and its' contractors shall each obtain an encroachment permit through STATE prior to commencing any work within STATE rights of way or work which affects STATE facilities.

12. When PROJECT is not on the State Highway System but includes work to be performed by a railroad, the contract for such work shall be prepared by ADMINISTERING AGENCY or by STATE, as the PARTIES may hereafter agree. In either event, ADMINISTERING AGENCY shall enter into an agreement with the railroad providing for future maintenance of protective devices or other facilities installed under the contract.

13. If PROJECT is using STATE funds, the Department of General Services, Division of the State Architect, or its designee, shall review the contract PS&E for the construction of buildings, structures, sidewalks, curbs and related facilities for accessibility and usability. ADMINISTERING AGENCY shall not award a PROJECT construction contract for these types of improvements until the State Architect has issued written approval stating that the PROJECT plans and specifications comply with the provisions of sections 4450 and 4454 of the California Government Code, if applicable. Further requirements and guidance are provided in Title 24 of the California Code of Regulations.

14. ADMINISTERING AGENCY will advertise, award and administer PROJECT in accordance with the current LOCAL ASSISTANCE PROCEDURES unless otherwise stated in the executed

15. ADMINISTERING AGENCY shall provide or arrange for adequate supervision and inspection of each PROJECT. While consultants may perform supervision and inspection work for PROJECT with a fully qualified and licensed engineer, ADMINISTERING AGENCY shall provide a full-time employee to be in responsible charge of each PROJECT.

16. ADMINISTERING AGENCY shall submit PROJECT-specific contract award documents to STATE's District Local Assistance Engineer within sixty (60) days after contract award. A copy of the award documents shall also be included with the submittal of the first invoice for a construction contract by ADMINISTERING AGENCY to: Department of Transportation, Division of Accounting Local Programs Accounting Branch, MS #33, PO Box 942874, Sacramento, California 94274-0001.

17. ADMINISTERING AGENCY shall submit the final report documents that collectively constitute a "Report of Expenditures" within one hundred eighty (180) days of PROJECT completion. Failure by ADMINISTERING AGENCY to submit a "Report of Expenditures" within one hundred eighty(180) days of project completion will result in STATE imposing sanctions upon ADMINISTERING AGENCY in accordance with the current LOCAL ASSISTANCE PROCEDURES.

18. ADMINISTERING AGENCY shall comply with: (i) section 504 of the Rehabilitation Act of 1973 which prohibits discrimination on the basis of disability in federally assisted programs; (ii) the Americans with Disabilities Act (ADA) of 1990 which prohibits discrimination on the basis of disability irrespective of funding; and (iii) all applicable regulations and guidelines issued pursuant to both the Rehabilitation Act and the ADA.

19. The Congress of the United States, the Legislature of the State of California and the Governor of the State of California, each within their respective jurisdictions, have prescribed certain nondiscrimination requirements with respect to contract and other work financed with public funds. ADMINISTERING AGENCY agrees to comply with the requirements of the FAIR EMPLOYMENT PRACTICES ADDENDUM (Exhibit A attached hereto) and the NONDISCRIMINATION ASSURANCES (Exhibit B attached hereto). ADMINISTERING AGENCY further agrees that any agreement entered into by ADMINISTERING AGENCY with a third party for performance of PROJECT-related work shall incorporate Exhibits A and B (with third party's name replacing ADMINISTERING AGENCY) as essential parts of such agreement to be enforced by that third party as verified by ADMINISTERING AGENCY.

ARTICLE II - RIGHTS OF WAY

1. No contract for the construction of a federal-aid PROJECT shall be awarded until all necessary rights of way have been secured. Prior to the advertising for construction of PROJECT, ADMINISTERING AGENCY shall certify and, upon request, shall furnish STATE with evidence that all necessary rights of way are available for construction purposes or will be available by the time of award of the construction contract.
2. ADMINISTERING AGENCY agrees to indemnify and hold STATE harmless from any liability that may result in the event the right of way for a PROJECT, including, but not limited to, being clear as certified or if said right of way is found to contain hazardous materials requiring treatment or removal to remediate in accordance with Federal and State laws. The furnishing of right of way as provided for herein includes, in addition to all real property required for the PROJECT, title free and clear of obstructions and encumbrances affecting PROJECT and the payment, as required by applicable law, of relocation costs and damages to remainder real property not actually taken but injuriously affected by PROJECT. ADMINISTERING AGENCY shall pay, from its own non-matching funds, any costs which arise out of delays to the construction of PROJECT because utility facilities have not been timely removed or relocated, or because rights of way were not available to ADMINISTERING AGENCY for the orderly prosecution of PROJECT work.
3. Subject to STATE approval and such supervision as is required by LOCAL ASSISTANCE PROCEDURES over ADMINISTERING AGENCY's right of way acquisition procedures, ADMINISTERING AGENCY may claim reimbursement from Federal Funds for expenditures incurred in purchasing only the necessary rights of way needed for the PROJECT after crediting PROJECT with the fair market value of any excess property retained and not disposed of by ADMINISTERING AGENCY.
4. When real property rights are to be acquired by ADMINISTERING AGENCY for a PROJECT, said ADMINISTERING AGENCY must carry out that acquisition in compliance with all applicable State and Federal laws and regulations, in accordance with State procedures as published in State's current LOCAL ASSISTANCE PROCEDURES and STATE's Right-of-Way Manual, subject to STATE oversight to ensure that the completed work is acceptable under the Federal Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended.
5. Whether or not federal-aid is to be requested for right of way, should ADMINISTERING AGENCY, in acquiring right of way for PROJECT, displace an individual, family, business, farm operation, or non-profit organization, relocation payments and services will be provided as set forth in 49 CFR, Part 24. The public will be adequately informed of the relocation payments and services which will be available, and, to the greatest extent practicable, no person lawfully occupying real property shall be required to move from his/her dwelling or to move his/her business or farm operation without at least ninety (90) days written notice from ADMINISTERING AGENCY. ADMINISTERING AGENCY will provide STATE with specific assurances, on each portion of the PROJECT, that no person will be displaced until comparable decent, safe and sanitary replacement housing is available within a reasonable period of time prior to displacement, and that ADMINISTERING AGENCY's relocation program is realistic and adequate to provide

orderly, timely and efficient relocation of HOMELOT displaced persons as provided in 49 CFR, Part 24.

6. ADMINISTERING AGENCY shall, along with recording the deed or instrument evidencing title in the name of the ADMINISTERING AGENCY or their assignee, shall also record an Agreement Declaring Restrictive Covenants (ADRC) as a separate document incorporating the assurances included within Exhibits A and B and Appendices A, B, C and D of the AGREEMENT, as appropriate.

ARTICLE III - MAINTENANCE AND MANAGEMENT

1. ADMINISTERING AGENCY will maintain and operate the property acquired, developed, constructed, rehabilitated, or restored by PROJECT for its intended public use until such time as the parties might amend this AGREEMENT to otherwise provide. With the approval of STATE, ADMINISTERING AGENCY or its successors in interest in the PROJECT property may transfer this obligation and responsibility to maintain and operate PROJECT property for that intended public purpose to another public entity.

2. Upon ADMINISTERING AGENCY's acceptance of the completed federal-aid construction contract or upon contractor being relieved of the responsibility for maintaining and protecting PROJECT, ADMINISTERING AGENCY will be responsible for the maintenance, ownership, liability, and the expense thereof, for PROJECT in a manner satisfactory to the authorized representatives of STATE and FHWA and if PROJECT falls within the jurisdictional limits of another Agency or Agencies, it is the duty of ADMINISTERING AGENCY to facilitate a separate maintenance agreement(s) between itself and the other jurisdictional Agency or Agencies providing for the operation, maintenance, ownership and liability of PROJECT. Until those agreements are executed, ADMINISTERING AGENCY will be responsible for all PROJECT operations, maintenance, ownership and liability in a manner satisfactory to the authorized representatives of STATE and FHWA. If, within ninety (90) days after receipt of notice from STATE that a PROJECT, or any portion thereof, is not being properly operated and maintained and ADMINISTERING AGENCY has not satisfactorily remedied the conditions complained of, the approval of future federal-aid projects of ADMINISTERING AGENCY will be withheld until the PROJECT shall have been put in a condition of operation and maintenance satisfactory to STATE and FHWA. The provisions of this section shall not apply to a PROJECT that has been vacated through due process of law with STATE's concurrence.

3. PROJECT and its facilities shall be maintained by an adequate and well-trained staff of engineers and/or such other professionals and technicians as PROJECT reasonably requires. Said operations and maintenance staff may be employees of ADMINISTERING AGENCY, another unit of government, or a contractor under agreement with ADMINISTERING AGENCY. All maintenance will be performed at regular intervals or as required for efficient operation of the complete PROJECT improvements.

ARTICLE IV - FISCAL PROVISIONS

1. All contractual obligations of STATE are subject to the appropriation of resources by the Legislature and the allocation of resources by the California Transportation Commission (CTC).
2. STATE'S financial commitment of Federal Funds will occur only upon the execution of this AGREEMENT, the authorization of the project-specific E-76 or E-76 (AMOD), the execution of each project-specific PROGRAM SUPPLEMENT, and STATE's approved finance letter.
3. ADMINISTERING AGENCY may submit signed duplicate invoices in arrears for reimbursement of participating PROJECT costs on a monthly or quarterly progress basis once the project-specific PROGRAM SUPPLEMENT has been executed by STATE.
4. ADMINISTERING AGENCY agrees, as a minimum, to submit invoices at least once every six (6) months commencing after the funds are encumbered on either the project-specific PROGRAM SUPPLEMENT or through a project-specific finance letter approved by STATE. STATE reserves the right to suspend future authorizations/obligations, and invoice payments for any on-going or future federal-aid project by ADMINISTERING AGENCY if PROJECT costs have not been invoiced by ADMINISTERING AGENCY for a six (6) month period.
5. Invoices shall be submitted on ADMINISTERING AGENCY letterhead that includes the address of ADMINISTERING AGENCY and shall be formatted in accordance with LOCAL ASSISTANCE PROCEDURES.
6. Invoices must have at least one copy of supporting backup documentation for costs incurred and claimed for reimbursement by ADMINISTERING AGENCY. Acceptable backup documentation includes, but is not limited to, agency's progress payment to the contractors, copies of cancelled checks showing amounts made payable to vendors and contractors, and/or a computerized summary of PROJECT costs.
7. Payments to ADMINISTERING AGENCY can only be released by STATE as reimbursement of actual allowable PROJECT costs already incurred and paid for by ADMINISTERING AGENCY.
8. An Indirect Cost Rate Proposal and Central Service Cost Allocation Plan and related documentation are to be provided to STATE (Caltrans Audits & Investigations) annually for review and approval prior to ADMINISTERING AGENCY seeking reimbursement of indirect cost incurred within each fiscal year being claimed for federal reimbursement.
9. Once PROJECT has been awarded, STATE reserves the right to de-obligate any excess Federal Funds from the construction phase of PROJECT if the contract award amount is less than the obligated amount, as shown on the PROJECT E-76 or E-76 (AMOD).
10. STATE will withhold the greater of either two (2) percent of the total of all Federal Funds encumbered for each PROGRAM SUPPLEMENT or \$40,000 until ADMINISTERING AGENCY submits the Final Report of Expenditures for each completed PROGRAM SUPPLEMENT PROJECT.

11. The estimated total cost of PROJECT, the amount of Federal Funds obligated, and the required matching funds may be adjusted by mutual consent of the PARTIES hereto with a finance letter, a detailed estimate, if required, and approved E-76 (AMOD). Federal-aid funding may be increased to cover PROJECT cost increases only if such funds are available and FHWA concurs with that increase.

12. When additional federal-aid funds are not available, ADMINISTERING AGENCY agrees that the payment of Federal Funds will be limited to the amounts authorized on the PROJECT specific E-76 / E-76 (AMOD) and agrees that any increases in PROJECT costs must be defrayed with ADMINISTERING AGENCY's own funds.

13. ADMINISTERING AGENCY shall use its own non-Federal Funds to finance the local share of eligible costs and all expenditures or contract items ruled ineligible for financing with Federal Funds. STATE shall make the determination of ADMINISTERING AGENCY's cost eligibility for federal fund financing of PROJECT costs.

14. ADMINISTERING AGENCY will reimburse STATE for STATE's share of costs for work performed by STATE at the request of ADMINISTERING AGENCY. STATE's costs shall include overhead assessments in accordance with section 8755.1 of the State Administrative Manual.

15. Federal and state funds allocated from the State Transportation Improvement Program (STIP) are subject to the timely use of funds provisions enacted by Senate Bill 45, approved in 1997, and subsequent STIP Guidelines and State procedures approved by the CTC and STATE.

16. Federal Funds encumbered for PROJECT are available for liquidation for a period of seven (7) years from the beginning of the State fiscal year the funds were appropriated in the State Budget. State funds encumbered for PROJECT are available for liquidation only for five (5) years from the beginning of the State fiscal year the funds were appropriated in the State Budget. Federal or state funds not liquidated within these periods will be reverted unless an Cooperative Work Agreement (CWA) is submitted by ADMINISTERING AGENCY and approved by the California Department of Finance (per Government Code section 16304). The exact date of fund reversion will be reflected in the STATE signed finance letter for PROJECT.

17. Payments to ADMINISTERING AGENCY for PROJECT-related travel and subsistence (per diem) expenses of ADMINISTERING AGENCY forces and its contractors and subcontractors claimed for reimbursement or as local match credit shall not exceed rates authorized to be paid rank and file STATE employees under current State Department of Personnel Administration (DPA) rules. If the rates invoiced by ADMINISTERING AGENCY are in excess of DPA rates, ADMINISTERING AGENCY is responsible for the cost difference, and any overpayments inadvertently paid by STATE shall be reimbursed to STATE by ADMINISTERING AGENCY on demand within thirty (30) days of such invoice.

18. ADMINISTERING AGENCY agrees to comply with Office of Management and Budget (OMB) Circular A-87, Cost Principles for State and Local Governments, and 49 CFR, Part 18, Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments.

19. ADMINISTERING AGENCY agrees, and will assure that its contractors and subcontractors will be obligated to agree that (a) Contract Cost Principles and Procedures, 48 CFR, Federal Acquisition Regulations System, Chapter 1, Part 31, et seq., shall be used to determine the allowability of individual PROJECT cost items and (b) those parties shall comply with federal administrative procedures in accordance with 49 CFR, Part 18, Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments. Every sub-recipient receiving PROJECT funds as a contractor or sub-contractor under this AGREEMENT shall comply with Federal administrative procedures in accordance with 49 CFR, Part 18, Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments.

20. Any PROJECT costs for which ADMINISTERING AGENCY has received payment or credit that are determined by subsequent audit to be unallowable under OMB Circular A-87, 48 CFR, Chapter 1, Part 31 or 49 CFR, Part 18, are subject to repayment by ADMINISTERING AGENCY to STATE. Should ADMINISTERING AGENCY fail to reimburse moneys due STATE within thirty 30 days of demand, or within such other period as may be agreed in writing between the PARTIES hereto, STATE is authorized to intercept and withhold future payments due ADMINISTERING AGENCY from STATE or any third-party source, including but not limited to, the State Treasurer, the State Controller and the CTC.

21. Upon written demand by STATE, any overpayment to ADMINISTERING AGENCY of amounts invoiced to STATE shall be returned to STATE.

22. Should ADMINISTERING AGENCY fail to refund any moneys due STATE as provided hereunder or should ADMINISTERING AGENCY breach this AGREEMENT by failing to complete PROJECT without adequate justification and approval by STATE, then, within thirty 30 days of demand, or within such other period as may be agreed to in writing between the PARTIES, STATE, acting through the State Controller, the State Treasurer, or any other public entity or agency, may withhold or demand a transfer of an amount equal to the amount paid by or owed to STATE from future apportionments, or any other funds due ADMINISTERING AGENCY from the Highway Users Tax Fund or any other sources of funds, and/or may withhold approval of future ADMINISTERING AGENCY federal-aid projects.

23. Should ADMINISTERING AGENCY be declared to be in breach of this AGREEMENT or otherwise in default thereof by STATE, and if ADMINISTERING AGENCY is constituted as a joint powers authority, special district, or any other public entity not directly receiving funds through the State Controller, STATE is authorized to obtain reimbursement from whatever sources of funding are available, including the withholding or transfer of funds, pursuant to Article IV - 22, from those constituent entities comprising a joint powers authority or by bringing of an action against ADMINISTERING AGENCY or its constituent member entities, to recover all funds provided by STATE hereunder.

24. ADMINISTERING AGENCY acknowledges that the signatory party represents the ADMINISTERING AGENCY and further warrants that there is nothing within a Joint Powers Agreement, by which ADMINISTERING AGENCY was created, if any exists, that would restrict or otherwise limit STATE's ability to recover State funds improperly spent by ADMINISTERING AGENCY in contravention of the terms of this AGREEMENT.

ARTICLE V
AUDITS, THIRD PARTY CONTRACTING, RECORDS RETENTION AND REPORTS

1. STATE reserves the right to conduct technical and financial audits of PROJECT work and records when determined to be necessary or appropriate and ADMINISTERING AGENCY agrees, and shall require its contractors and subcontractors to agree, to cooperate with STATE by making all appropriate and relevant PROJECT records available for audit and copying as required by paragraph three (3) of ARTICLE V.
2. ADMINISTERING AGENCY, its contractors and subcontractors shall establish and maintain an accounting system and records that properly accumulate and segregate incurred PROJECT costs and matching funds by line item for the PROJECT. The accounting system of ADMINISTERING AGENCY, its contractors and all subcontractors shall conform to Generally Accepted Accounting Principles, enable the determination of incurred costs at interim points of completion, and provide support for reimbursement payment vouchers or invoices sent to or paid by STATE.
3. For the purpose of determining compliance with Title 21, California Code of Regulations, Chapter 21, section 2500 et seq., when applicable, and other matters connected with the performance of ADMINISTERING AGENCY's contracts with third parties, ADMINISTERING AGENCY, ADMINISTERING AGENCY's contractors and subcontractors, and STATE shall each maintain and make available for inspection and audit all books, documents, papers, accounting records, and other evidence pertaining to the performance of such contracts, including, but not limited to, the costs of administering those various contracts. All of the above referenced parties shall make such AGREEMENT and PROGRAM SUPPLEMENT materials available at their respective offices at all reasonable times during the entire PROJECT period and for three (3) years from the date of final payment to ADMINISTERING AGENCY under any PROGRAM SUPPLEMENT. STATE, the California State Auditor, or any duly authorized representative of STATE or the United States, shall each have access to any books, records, and documents that are pertinent to a PROJECT for audits, examinations, excerpts, and transactions and ADMINISTERING AGENCY shall furnish copies thereof if requested.
4. ADMINISTERING AGENCY is required to have an audit in accordance with the Single Audit Act of OMB Circular A-133 if it receives a total of \$500,000 or more in Federal Funds in a single fiscal year. The Federal Funds received under a PROGRAM SUPPLEMENT are a part of the Catalogue of Federal Domestic Assistance (CFDA) 20.205, Highway Planning and Research.
5. ADMINISTERING AGENCY agrees to include all PROGRAM SUPPLEMENTS adopting the terms of this AGREEMENT in the schedule of projects to be examined in ADMINISTERING AGENCY's annual audit and in the schedule of projects to be examined under its single audit prepared in accordance with OMB Circular A-133.
6. ADMINISTERING AGENCY shall not award a construction contract over \$10,000 or other contracts over \$25,000 (excluding professional service contracts of the type which are required to be procured in accordance with Government Code sections 4525 (d), (e) and (f) on the basis of a noncompetitive negotiation for work to be performed under this AGREEMENT without the prior written approval of STATE. Contracts awarded by ADMINISTERING AGENCY, if intended as local match credit, must meet the requirements set forth in this AGREEMENT regarding local match funds.

7. Any subcontract entered into by ADMINISTERING AGENCY as a result of this AGREEMENT shall contain all of the provisions of ARTICLE IV, FISCAL PROVISIONS, and this ARTICLE V, AUDITS, THIRD-PARTY CONTRACTING RECORDS RETENTION AND REPORTS, and shall mandate that travel and per diem reimbursements and third-party contract reimbursements to subcontractors will be allowable as PROJECT costs only after those costs are incurred and paid for by the subcontractors.

8. To be eligible for local match credit, ADMINISTERING AGENCY must ensure that local match funds used for a PROJECT meet the fiscal provisions requirements outlined in ARTICLE IV in the same manner as required of all other PROJECT expenditures.

9. In addition to the above, the pre-award requirements of third-party contractor/consultants with ADMINISTERING AGENCY should be consistent with LOCAL ASSISTANCE PROCEDURES.

ARTICLE VI -FEDERAL LOBBYING ACTIVITIES CERTIFICATION

1. By execution of this AGREEMENT, ADMINISTERING AGENCY certifies, to the best of the signatory officer's knowledge and belief, that:

A. No federal or state appropriated funds have been paid or will be paid, by or on behalf of ADMINISTERING AGENCY, to any person for influencing or attempting to influence an officer or employee of any STATE or federal agency, a member of the State Legislature or United States Congress, an officer or employee of the Legislature or Congress, or any employee of a Member of the Legislature or Congress in connection with the awarding of any STATE or federal contract, including this AGREEMENT, the making of any STATE or federal loan, the entering into of any cooperative contract, and the extension, continuation, renewal, amendment, or modification of any STATE or federal contract, grant, loan, or cooperative contract.

B. If any funds other than federal appropriated funds have been paid, or will be paid, to any person for influencing or attempting to influence an officer or employee of any federal agency, a member of Congress, an officer or employee of Congress or an employee of a member of Congress in connection with this AGREEMENT, grant, local, or cooperative contract, ADMINISTERING AGENCY shall complete and submit Standard Form-LLL, "Disclosure Form to Rep Lobbying," in accordance with the form instructions.

C. This certification is a material representation of fact upon which reliance was placed when this AGREEMENT and each PROGRAM SUPPLEMENT was or will be made or entered into. Submission of this certification is a prerequisite for making or entering into this AGREEMENT imposed by Section 1352, Title 31, United States Code. Any party who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

2. ADMINISTERING AGENCY also agrees by signing this AGREEMENT that the language of this certification will be included in all lower tier sub-agreements which exceed \$100,000 and that all such sub-recipients shall certify and disclose accordingly.

ARTICLE VII - MISCELLANEOUS PROVISIONS

1. ADMINISTERING AGENCY agrees to use all State funds reimbursed hereunder only for transportation purposes that are in conformance with Article XIX of the California State Constitution and the relevant Federal Regulations.
2. This AGREEMENT is subject to any additional restrictions, limitations, conditions, or any statute enacted by the State Legislature or adopted by the CTC that may affect the provisions, terms, or funding of this AGREEMENT in any manner.
3. ADMINISTERING AGENCY and the officers and employees of ADMINISTERING AGENCY, when engaged in the performance of this AGREEMENT, shall act in an independent capacity and not as officers, employees or agents of STATE or the federal government.
4. Each project-specific PROGRAM SUPPLEMENT shall separately establish the terms and funding limits for each described PROJECT funded under the AGREEMENT. No federal or state funds are obligated against this AGREEMENT.
5. ADMINISTERING AGENCY certifies that neither ADMINISTERING AGENCY nor its principals are suspended or debarred at the time of the execution of this AGREEMENT. ADMINISTERING AGENCY agrees that it will notify STATE immediately in the event a suspension or a debarment occurs after the execution of this AGREEMENT.
6. ADMINISTERING AGENCY warrants, by execution of this AGREEMENT, that no person or selling agency has been employed or retained to solicit or secure this AGREEMENT upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established commercial or selling agencies maintained by ADMINISTERING AGENCY for the purpose of securing business. For breach or violation of this warranty, STATE has the right to annul this AGREEMENT without liability, pay only for the value of the work actually performed, or in STATE's discretion, to deduct from the price of consideration, or otherwise recover, the full amount of such commission, percentage, brokerage, or contingent fee.
7. In accordance with Public Contract Code section 10296, ADMINISTERING AGENCY hereby certifies under penalty of perjury that no more than one final unappealable finding of contempt of court by a federal court has been issued against ADMINISTERING AGENCY within the immediate preceding two (2) year period because of ADMINISTERING AGENCY's failure to comply with an order of a federal court that orders ADMINISTERING AGENCY to comply with an order of the National Labor Relations Board.
8. ADMINISTERING AGENCY shall disclose any financial, business, or other relationship with STATE, FHWA or FTA that may have an impact upon the outcome of this AGREEMENT. ADMINISTERING AGENCY shall also list current contractors who may have a financial interest in the outcome of this AGREEMENT.
9. ADMINISTERING AGENCY hereby certifies that it does not now have nor shall it acquire any financial or business interest that would conflict with the performance of PROJECT under this

10. ADMINISTERING AGENCY warrants that this AGREEMENT was not obtained or secured through rebates, kickbacks or other unlawful consideration either promised or paid to any STATE employee. For breach or violation of this warranty, STATE shall have the right, in its discretion, to terminate this AGREEMENT without liability, to pay only for the work actually performed, or to deduct from the PROGRAM SUPPLEMENT price or otherwise recover the full amount of such rebate, kickback, or other unlawful consideration.

11. Any dispute concerning a question of fact arising under this AGREEMENT that is not disposed of by agreement shall be decided by the STATE's Contract Officer who may consider any written or verbal evidence submitted by ADMINISTERING AGENCY. The decision of the Contract Officer, issued in writing, shall be conclusive and binding on the PARTIES on all questions of fact considered and determined by the Contract Officer.

12. Neither the pending of a dispute nor its consideration by the Contract Officer will excuse ADMINISTERING AGENCY from full and timely performance in accordance with the terms of this AGREEMENT.

13. Neither ADMINISTERING AGENCY nor any officer or employee thereof is responsible for any injury, damage or liability occurring by reason of anything done or omitted to be done by, under or in connection with any work, authority or jurisdiction arising under this AGREEMENT. It is understood and agreed that STATE shall fully defend, indemnify and save harmless the ADMINISTERING AGENCY and all of its officers and employees from all claims, suits or actions of every name, kind and description brought forth under, including, but not limited to, tortuous, contractual, inverse condemnation and other theories or assertions of liability occurring by reason of anything done or omitted to be done by STATE under this AGREEMENT.

14. Neither STATE nor any officer or employee thereof shall be responsible for any injury, damage or liability occurring by reason of anything done or omitted to be done by ADMINISTERING AGENCY under, or in connection with, any work, authority or jurisdiction arising under this AGREEMENT. It is understood and agreed that ADMINISTERING AGENCY shall fully defend, indemnify and save harmless STATE and all of its officers and employees from all claims, suits or actions of every name, kind and description brought forth under, including, but not limited to, tortuous, contractual, inverse condemnation or other theories or assertions of liability occurring by reason of anything done or omitted to be done by ADMINISTERING AGENCY under this AGREEMENT.

15. STATE reserves the right to terminate funding for any PROJECT upon written notice to ADMINISTERING AGENCY in the event that ADMINISTERING AGENCY fails to proceed with PROJECT work in accordance with the project-specific PROGRAM SUPPLEMENT, the bonding requirements if applicable, or otherwise violates the conditions of this AGREEMENT and/or PROGRAM SUPPLEMENT, or the funding allocation such that substantial performance is significantly endangered.

16. No termination shall become effective if, within thirty (30) days after receipt of a Notice of Termination, ADMINISTERING AGENCY either cures the default involved or, if not reasonably susceptible of cure within said thirty (30) day period, ADMINISTERING AGENCY proceeds thereafter to complete the cure in a manner and time line acceptable to STATE. Any such termination shall be accomplished by delivery to ADMINISTERING AGENCY of a Notice of Termination, which notice shall become effective not less than thirty (30) days after receipt, specifying the reason for the termination, the extent to which funding of work under this AGREEMENT is terminated and the date upon which such termination becomes effective, if beyond thirty (30) days after receipt. During the period before the effective termination date, ADMINISTERING AGENCY and STATE shall meet to attempt to resolve any dispute. In the event of such termination, STATE may proceed with the PROJECT work in a manner deemed proper by STATE. If STATE terminates funding for PROJECT with ADMINISTERING AGENCY, STATE shall pay ADMINISTERING AGENCY the sum due ADMINISTERING AGENCY under the PROGRAM SUPPLEMENT and/or STATE approved finance letter prior to termination, provided, however, ADMINISTERING AGENCY is not in default of the terms and conditions of this AGREEMENT or the project-specific PROGRAM SUPPLEMENT and that the cost of PROJECT completion to STATE shall first be deducted from any sum due ADMINISTERING AGENCY.

17. In case of inconsistency or conflicts with the terms of this AGREEMENT and that of a project-specific PROGRAM SUPPLEMENT, the terms stated in that PROGRAM SUPPLEMENT shall prevail over those in this AGREEMENT.

18. Without the written consent of STATE, this AGREEMENT is not assignable by ADMINISTERING AGENCY either in whole or in part.

19. No alteration or variation of the terms of this AGREEMENT shall be valid unless made in writing and signed by the PARTIES, and no oral understanding or agreement not incorporated herein shall be binding on any of the PARTIES.

IN WITNESS WHEREOF, the PARTIES have executed this AGREEMENT by their duly authorized officers.

STATE OF CALIFORNIA
DEPARTMENT OF TRANSPORTATION

San Bernardino Associated Governments

By _____

By _____

Chief, Office of Project Implementation
Division of Local Assistance

San Bernardino Associated Governments
Representative Name & Title
(Authorized Governing Body Representative)

Date _____

Date _____

EXHIBIT A

FAIR EMPLOYMENT PRACTICES ADDENDUM

1. In the performance of this Agreement, ADMINISTERING AGENCY will not discriminate against any employee for employment because of race, color, sex, sexual orientation, religion, ancestry or national origin, physical disability, medical condition, marital status, political affiliation, family and medical care leave, pregnancy leave, or disability leave. ADMINISTERING AGENCY will take affirmative action to ensure that employees are treated during employment without regard to their race, sex, sexual orientation, color, religion, ancestry, or national origin, physical disability, medical condition, marital status, political affiliation, family and medical care leave, pregnancy leave, or disability leave. Such action shall include, but not be limited to, the following: employment; upgrading; demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. ADMINISTERING AGENCY shall post in conspicuous places, available to employees for employment, notices to be provided by STATE setting forth the provisions of this Fair Employment section.

2. ADMINISTERING AGENCY, its contractor(s) and all subcontractors shall comply with the provisions of the Fair Employment and Housing Act (Government Code Section 12900 et seq.), and the applicable regulations promulgated thereunder (California code of Regulations, Title 2, Section 7285.0 et seq.). The applicable regulations of the Fair Employment and Housing Commission implementing Government Code, Section 12900(a-f), set forth in Chapter 5 of Division 4 of Title 2 of the California Code of Regulations are incorporated into this AGREEMENT by reference and made a part hereof as if set forth in full. Each of the ADMINISTERING AGENCY'S contractors and all subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreements, as appropriate.

3. ADMINISTERING AGENCY shall include the nondiscrimination and compliance provisions of this clause in all contracts and subcontracts to perform work under this AGREEMENT.

4. ADMINISTERING AGENCY will permit access to the records of employment, employment advertisements, application forms, and other pertinent data and records by STATE, the State Fair Employment and Housing Commission, or any other agency of the State of California designated by STATE, for the purposes of investigation to ascertain compliance with the Fair Employment section of this Agreement.

5. Remedies for Willful Violation:

(a) STATE may determine a willful violation of the Fair Employment provision to have occurred upon receipt of a final judgment to that effect from a court in an action to which ADMINISTERING AGENCY was a party, or upon receipt of a written notice from the Fair Employment and Housing Commission that it has investigated and determined that ADMINISTERING AGENCY has violated the Fair Employment Practices Act and had issued an order under Labor Code Section 1426 which has become final or has obtained an injunction under Labor Code Section 1429.

(b) For willful violation of this Fair Employment Provision, STATE shall have the right to terminate this Agreement either in whole or in part, and any loss or damage sustained by STATE in securing the goods or services thereunder shall be borne and paid for by ADMINISTERING AGENCY and by the surety under the performance bond, if any, and STATE may deduct from any moneys due or thereafter may become due to ADMINISTERING AGENCY, the difference between the price named in the Agreement and the actual cost thereof to STATE to cure ADMINISTERING AGENCY's breach of this Agreement.

EXHIBIT B

NONDISCRIMINATION ASSURANCES

ADMINISTERING AGENCY HEREBY AGREES THAT, as a condition to receiving any federal financial assistance from the STATE, acting for the U.S. Department of Transportation, it will comply with Title VI of the Civil Rights Act of 1964, 78 Stat. 252, 42 U.S.C. 2000d-42 U.S.C. 2000d-4 (hereinafter referred to as the ACT), and all requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, "Nondiscrimination in Federally-Assisted Programs of the Department of Transportation - Effectuation of Title VI of the Civil Rights Act of 1964" (hereinafter referred to as the REGULATIONS), the Federal-aid Highway Act of 1973, and other pertinent directives, to the end that in accordance with the ACT, REGULATIONS, and other pertinent directives, no person in the United States shall, on the grounds of race, color, sex, national origin, religion, age or disability, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity for which ADMINISTERING AGENCY receives federal financial assistance from the Federal Department of Transportation. ADMINISTERING AGENCY HEREBY GIVES ASSURANCE THAT ADMINISTERING AGENCY will promptly take any measures necessary to effectuate this agreement. This assurance is required by subsection 21.7(a) (1) of the REGULATIONS.

More specifically, and without limiting the above general assurance, ADMINISTERING AGENCY hereby gives the following specific assurances with respect to its federal-aid Program:

1. That ADMINISTERING AGENCY agrees that each "program" and each "facility" as defined in subsections 21.23 (e) and 21.23 (b) of the REGULATIONS, will be (with regard to a "program") conducted, or will be (with regard to a "facility") operated in compliance with all requirements imposed by, or pursuant to, the REGULATIONS.

2. That ADMINISTERING AGENCY shall insert the following notification in all solicitations for bids for work or material subject to the REGULATIONS made in connection with the federal-aid Program and, in adapted form, in all proposals for negotiated agreements:

ADMINISTERING AGENCY hereby notifies all bidders that it will affirmatively insure that in any agreement entered into pursuant to this advertisement, minority business enterprises will be afforded full opportunity to submit bids in response to this invitation and will not be discriminated against on the grounds of race, color, sex, national origin, religion, age, or disability in consideration for an award.

3. That ADMINISTERING AGENCY shall insert the clauses of Appendix A of this assurance in every agreement subject to the ACT and the REGULATIONS.

4. That the clauses of Appendix B of this Assurance shall be included as a covenant running with the land, in any deed effecting a transfer of real property, structures, or improvements thereon, or interest therein.

5. That where ADMINISTERING AGENCY receives federal financial assistance to construct a facility, or part of a facility, the Assurance shall extend to the entire facility and facilities operated in connection therewith.

6. That where ADMINISTERING AGENCY receives federal financial assistance in the form, or for the acquisition, of real property or an interest in real property, the Assurance shall extend to rights to space on, over, or under such property.

7. That ADMINISTERING AGENCY shall include the appropriate clauses set forth in Appendix C and D of this Assurance, as a covenant running with the land, in any future deeds, leases, permits, licenses, and similar agreements entered into by the ADMINISTERING AGENCY with other parties:

Appendix C;

(a) for the subsequent transfer of real property acquired or improved under the federal-aid Program; and

Appendix D;

(b) for the construction or use of or access to space on, over, or under real property acquired, or improved under the federal-aid Program.

8. That this assurance obligates ADMINISTERING AGENCY for the period during which federal financial assistance is extended to the program, except where the federal financial assistance is to provide, or is in the form of, personal property or real property or interest therein, or structures, or improvements thereon, in which case the assurance obligates ADMINISTERING AGENCY or any transferee for the longer of the following periods:

(a) the period during which the property is used for a purpose for which the federal financial assistance is extended, or for another purpose involving the provision of similar services or benefits; or

(b) the period during which ADMINISTERING AGENCY retains ownership or possession of the property.

9. That ADMINISTERING AGENCY shall provide for such methods of administration for the program as are found by the U.S. Secretary of Transportation, or the official to whom he delegates specific authority, to give reasonable guarantee that ADMINISTERING AGENCY, other recipients, sub-grantees, applicants, sub-applicants, transferees, successors in interest, and other participants of federal financial assistance under such program will comply with all requirements imposed by, or pursuant to, the ACT, the REGULATIONS, this Assurance and the Agreement.

10. That ADMINISTERING AGENCY agrees that the United States and the State of California have a right to seek judicial enforcement with regard to any matter arising under the ACT, the REGULATIONS, and this Assurance.

11. ADMINISTERING AGENCY shall not discriminate on the basis of race, religion, age, disability, color, national origin or sex in the award and performance of any STATE assisted contract or in the administration on its DBE Program or the requirements of 49 CFR Part 26. ADMINISTERING AGENCY shall take all necessary and reasonable steps under 49 CFR Part 26 to ensure non discrimination in the award and administration of STATE assisted contracts. ADMINISTERING AGENCY'S DBE Race-Neutral Implementation Agreement is incorporated by reference in this AGREEMENT. Implementation of this program is a legal obligation and failure to carry out its terms shall be treated as a violation of this agreement. Upon notification to the recipient of its failure to carry out its approved DBE Race-Neutral Implementation Agreement, STATE may impose sanctions as provided for under 49 CFR Part 26 and may, in appropriate cases, refer the matter for enforcement under 18 USC 1001 and/or the Program Fraud Civil Remedies Act of 1985 (31USC 3801 es seq.)

THESE ASSURANCES are given in consideration of and for the purpose of obtaining any and all federal grants, loans, agreements, property, discounts or other federal financial assistance extended after the date hereof to ADMINISTERING AGENCY by STATE, acting for the U.S. Department of Transportation, and is binding on ADMINISTERING AGENCY, other recipients, subgrantees, applicants, sub-applicants, transferees, successors in interest and other participants in the federal-aid Highway Program.

APPENDIX A TO EXHIBIT B

During the performance of this Agreement, ADMINISTERING AGENCY, for itself, its assignees and successors in interest (hereinafter collectively referred to as ADMINISTERING AGENCY) agrees as follows:

(1) Compliance with Regulations: ADMINISTERING AGENCY shall comply with the regulations relative to nondiscrimination in federally assisted programs of the Department of Transportation, Title 49, Code of Federal Regulations, Part 21, as they may be amended from time to time, (hereinafter referred to as the REGULATIONS), which are herein incorporated by reference and made a part of this agreement.

(2) Nondiscrimination: ADMINISTERING AGENCY, with regard to the work performed by it during the AGREEMENT, shall not discriminate on the grounds of race, color, sex, national origin, religion, age, or disability in the selection and retention of sub-applicants, including procurements of materials and leases of equipment. ADMINISTERING AGENCY shall not participate either directly or indirectly in the discrimination prohibited by Section 21.5 of the REGULATIONS, including employment practices when the agreement covers a program set forth in Appendix B of the REGULATIONS.

(3) Solicitations for Sub-agreements, Including Procurements of Materials and Equipment: In all solicitations either by competitive bidding or negotiation made by ADMINISTERING AGENCY for work to be performed under a Sub-agreement, including procurements of materials or leases of equipment, each potential sub-applicant or supplier shall be notified by ADMINISTERING AGENCY of the ADMINISTERING AGENCY's obligations under this Agreement and the REGULATIONS relative to nondiscrimination on the grounds of race, color, or national origin.

(4) Information and Reports: ADMINISTERING AGENCY shall provide all information and reports required by the REGULATIONS, or directives issued pursuant thereto, and shall permit access to ADMINISTERING AGENCY's books, records, accounts, other sources of information, and its facilities as may be determined by STATE or FHWA to be pertinent to ascertain compliance with such REGULATIONS or directives. Where any information required of ADMINISTERING AGENCY is in the exclusive possession of another who fails or refuses to furnish this information, ADMINISTERING AGENCY shall so certify to STATE or the FHWA as appropriate, and shall set forth what efforts ADMINISTERING AGENCY has made to obtain the information.

(5) Sanctions for Noncompliance: In the event of ADMINISTERING AGENCY's noncompliance with the nondiscrimination provisions of this agreement, STATE shall impose such agreement sanctions as it or the FHWA may determine to be appropriate, including, but not limited to:

(a) withholding of payments to ADMINISTERING AGENCY under the Agreement within a reasonable period of time, not to exceed 90 days; and/or

(b) cancellation, termination or suspension of the Agreement, in whole or in part.

(6) Incorporation of Provisions: ADMINISTERING AGENCY shall include the provisions of paragraphs (1) through (6) in every sub-agreement, including procurements of materials and leases of equipment, unless exempt by the REGULATIONS, or directives issued pursuant thereto. ADMINISTERING AGENCY shall take such action with respect to any sub-agreement or procurement as STATE or FHWA may direct as a means of enforcing such provisions including sanctions for noncompliance, provided, however, that, in the event ADMINISTERING AGENCY becomes involved in, or is threatened with, litigation with a sub-applicant or supplier as a result of such direction, ADMINISTERING AGENCY may request STATE enter into such litigation to protect the interests of STATE, and, in addition, ADMINISTERING AGENCY may request the United States to enter into such litigation to protect the interests of the United States.

The following clauses shall be included in any and all deeds effecting or recording the transfer of PROJECT real property, structures or improvements thereon, or interest therein from the United States.

(GRANTING CLAUSE)

NOW, THEREFORE, the U.S. Department of Transportation, as authorized by law, and upon the condition that ADMINISTERING AGENCY will accept title to the lands and maintain the project constructed thereon, in accordance with Title 23, United States Code, the Regulations for the Administration of federal-aid for Highways and the policies and procedures prescribed by the Federal Highway Administration of the Department of Transportation and, also in accordance with and in compliance with the Regulations pertaining to and effectuating the provisions of Title VI of the Civil Rights Act of 1964 (78 Stat. 252; 42 U.S.C. 2000d to 2000d-4), does hereby remise, release, quitclaim and convey unto the ADMINISTERING AGENCY all the right, title, and interest of the U.S. Department of Transportation in, and to, said lands described in Exhibit "A" attached hereto and made a part hereof.

(HABENDUM CLAUSE)

TO HAVE AND TO HOLD said lands and interests therein unto ADMINISTERING AGENCY and its successors forever, subject, however, to the covenant, conditions, restrictions and reservations herein contained as follows, which will remain in effect for the period during which the real property or structures are used for a purpose for which federal financial assistance is extended or for another purpose involving the provision of similar services or benefits and shall be binding on ADMINISTERING AGENCY, its successors and assigns.

ADMINISTERING AGENCY, in consideration of the conveyance of said lands and interests in lands, does hereby covenant and agree as a covenant running with the land for itself, its successors and assigns,

(1) that no person shall on the grounds of race, color, sex, national origin, religion, age or disability, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination with regard to any facility located wholly or in part on, over, or under such lands hereby conveyed (;) (and) *

(2) that ADMINISTERING AGENCY shall use the lands and interests in lands so conveyed, in compliance with all requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Non-discrimination in federally-assisted programs of the Department of Transportation - Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended (;) and

(3) that in the event of breach of any of the above-mentioned nondiscrimination conditions, the U.S. Department of Transportation shall have a right to re-enter said lands and facilities on said land, and the above-described land and facilities shall thereon revert to and vest in and become the absolute property of the U.S. Department of Transportation and its assigns as such interest existed prior to this deed.*

* Reverter clause and related language to be used only when it is determined that such a clause is

APPENDIX C TO EXHIBIT B

The following clauses shall be included in any and all deeds, licenses, leases, permits, or similar instruments entered into by ADMINISTERING AGENCY, pursuant to the provisions of Assurance 7(a) of Exhibit B.

The grantee (licensee, lessee, permittee, etc., as appropriate) for himself, his heirs, personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree (in the case of deeds and leases add "as covenant running with the land") that in the event facilities are constructed, maintained, or otherwise operated on the said property described in this (deed, license, lease, permit, etc.) for a purpose for which a U.S. Department of Transportation program or activity is extended or for another purpose involving the provision of similar services or benefits, the (grantee, licensee, lessee, permittee, etc.), shall maintain and operate such facilities and services in compliance with all other requirements imposed pursuant to Title 49, Code of Federal Regulations, U.S. Department of Transportation, Subtitle A, Office of Secretary, Part 21, Nondiscrimination in federally-assisted programs of the Department of Transportation - Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended.

(Include in licenses, leases, permits, etc.)*

That in the event of breach of any of the above nondiscrimination covenants, ADMINISTERING AGENCY shall have the right to terminate the (license, lease, permit etc.) and to re-enter and repossess said land and the facilities thereon, and hold the same as if said (license, lease, permit, etc.) had never been made or issued.

(Include in deeds)*

That in the event of breach of any of the above nondiscrimination covenants, ADMINISTERING AGENCY shall have the right to re-enter said land and facilities thereon, and the above-described lands and facilities shall thereupon revert to and vest in and become the absolute property of ADMINISTERING AGENCY and its assigns.

* Reverter clause and related language to be used only when it is determined that such a clause is necessary in order to effectuate the purposes of Title VI of the Civil Rights Act of 1964.

APPENDIX D TO EXHIBIT B

The following shall be included in all deeds, licenses, leases, permits, or similar agreements entered into by the ADMINISTERING AGENCY, pursuant to the provisions of Assurance 7 (b) of Exhibit B.

The grantee (licensee, lessee, permittee, etc., as appropriate) for himself, his personal representatives, successors in interest and assigns, as a part of the consideration hereof, does hereby covenant and agree (in the case of deeds, and leases add "as a covenant running with the land") that:

(1) no person on the ground of race, color, sex, national origin, religion, age or disability, shall be excluded from participation in, denied the benefits of, or otherwise subjected to discrimination in the use of said facilities;

(2) that in the construction of any improvements on, over, or under such land and the furnishing of services thereon, no person on the ground of race, color, sex, national origin, religion, age or disability shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination; and

(3) that the (grantee, licensee, lessee, permittee, etc.,) shall use the premises in compliance with the Regulations.

(Include in licenses, leases, permits, etc.)*

That in the event of breach of any of the above nondiscrimination covenants, ADMINISTERING AGENCY shall have the right to terminate the (license, lease, permit, etc.) and to re-enter and repossess said land and the facilities thereon, and hold the same as if said (license, lease, permit, etc.) had never been made or issued.

(Include in deeds)*

That in the event of breach of any of the above nondiscrimination covenants, ADMINISTERING AGENCY shall have the right to re-enter said land and facilities thereon, and the above-described lands and facilities shall thereupon revert to and vest in and become the absolute property of ADMINISTERING AGENCY, and its assigns.

* Reverter clause and related language to be used only when it is determined that such a clause is necessary in order to effectuate the purposes of Title VI of the Civil Rights Act of 1964.

-
- San Bernardino County Transportation Commission ■ San Bernardino County Transportation Authority
■ San Bernardino County Congestion Management Agency ■ Service Authority for Freeway Emergencies
-

Minute Action

AGENDA ITEM: 7

Date: February 14, 2007

Subject: Smith, Watts & Co. Contract Amendment for State Advocacy Services

Recommendation:* Approve Amendment No. 2 to Contract 03-007 for state advocacy services, which recognizes the merger between Smith, Watts & Co. and California Strategies.

Background: Smith, Watts & Co., which provides state advocacy services for SANBAG, has merged with California Strategies and Advocacy LLC.

On January 26, 2007, SANBAG received formal notification that Smith, Watts & Co. merged with California Strategies. The firm's merger allows for a wide political reach throughout California. Additionally, firm's merger not only provides an advocacy division, but also specializes in positioning private and public clients with strategic consulting, as well as a full range of public relations/public affairs functions.

Registered Lobbyists for California Strategies include the following people:

Jared Ficker
Ted Harris
Camden McEfee
Chris Micheli
Mark Watts
DJ Smith

*

Approved
Administrative Committee

Date: _____

Moved: _____ *Second:* _____

In Favor: _____ *Opposed:* _____ *Abstained:* _____

Witnessed: _____

This proposed contract amendment is to recognize the firm's merger and the new firm name of California Strategies. All other provisions of the current contract will remain the same, including the scope of services and overall contract cost. Moreover, Mark Watts will remain as our primary contact.

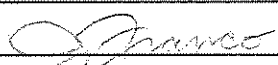
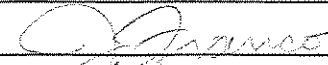
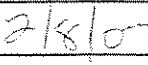
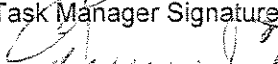
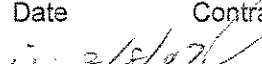
Staff recommends the contract for state advocacy services be amended to reflect that Smith, Watts & Co. is now California Strategies.

Financial Impact: Funding to support the contract for state advocacy services is included within the SANBAG FY06-07 Budget.

Reviewed By: This item is scheduled for review by the Administrative Committee on February 14, 2007.

Responsible Staff: Jennifer Franco, Director of Intergovernmental and Legislative Affairs

SANBAG Contract No. 03-007-02
 by and between
San Bernardino Associated Governments
 and
California Strategies
 for
State Advocacy Services

FOR ACCOUNTING PURPOSES ONLY				
<input checked="" type="checkbox"/> Payable <input type="checkbox"/> Receivable	Vendor Contract # <u>03-007-02</u> Vendor ID <u>CSALLC</u>	Retention: <input type="checkbox"/> Yes _____ % <input checked="" type="checkbox"/> No	<input type="checkbox"/> Original <input checked="" type="checkbox"/> Amendment	
Notes:				
Original Contract: \$ <u>426,000</u> Contingency Amount: \$ _____	Previous Amendments Total: \$ <u>111,000</u> Previous Amendments Contingency Total: \$ _____ Current Amendment: \$ _____ Current Amendment Contingency: \$ _____ Contingency Amount requires specific authorization by Task Manager prior to release.			
CONTRACT TOTAL →				\$ <u>537,000</u>
↓ Please include funding allocation for the original contract or the amendment.				
<u>Task</u>	<u>Cost Code</u>	<u>Funding Sources</u>	<u>Grant ID</u>	<u>Amounts</u>
_____	_____	_____	_____	\$ _____
_____	_____	_____	_____	\$ _____
Original Board Approved Contract Date: <u>10/09/02</u> Contract Start: <u>10/01/02</u> Contract End: <u>9/30/06</u>				
New Amend. Approval (Board) Date: <u>9/06/06</u> Amend. Start: <u>10/01/02</u> Amend. End: <u>9/30/08</u>				
If this is a multi-year contract/amendment, please allocate budget authority among approved budget authority and future fiscal year(s)-unbudgeted obligations:				
Approved Budget Authority →	Fiscal Year: _____ \$ _____	Future Fiscal Year(s) - Unbudgeted Obligation → \$ _____		
Is this consistent with the adopted budget? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No				
If yes, which Task includes budget authority? <u>503CZZ07</u>				
If no, has the budget amendment been submitted? <input type="checkbox"/> Yes <input type="checkbox"/> No				
CONTRACT MANAGEMENT				
Please mark an "X" next to all that apply:				
<input type="checkbox"/> Intergovernmental <input checked="" type="checkbox"/> Private <input checked="" type="checkbox"/> Non-Local <input type="checkbox"/> Local <input type="checkbox"/> Partly Local				
Disadvantaged Business Enterprise: <input type="checkbox"/> No <input type="checkbox"/> Yes _____ %				
Task Manager: Jennifer Franco			Contract Manager: Jennifer Franco	
 Task Manager Signature		 Contract Manager Signature		 Date
 Chief Financial Officer Signature		 Date		

AMENDMENT NO. 2
TO CONTRACT 03007-02

By and Between

SAN BERNARDINO ASSOCIATED GOVERNMENTS
and
California Strategies and Advocacy, LLC

WHEREAS, the San Bernardino Associated Governments, hereinafter referred to as "SANBAG" and California Strategies and Advocacy, LLC referred to herein as "CONTRACTOR," have previously entered into a contract effective October 1, 2002, wherein SANBAG engaged CONTRACTOR to provide state advocacy services; and,

WHEREAS, SANBAG and CONTRACTOR desire to amend the Contract to extend the Contract for two additional years for CONTRACTOR to perform the agreed upon work;

NOW THEREFORE, SANBAG and CONTRACTOR agree to amend the Contract as follows:

1. SECTION VI. Insert the following language after the last sentence:

For services rendered from October 1, 2006 through September 30, 2008, CONTRACTOR shall receive compensation from SANBAG in the sum of \$4,500.00 per month, plus chargeable expenses not to exceed \$1,500.00 annually.

2. SECTION VI. Delete "Mr. Will Kempton" from the second sentence.

3. SECTION VIII. The first sentence of the first paragraph is amended to read as follows:

The term of this Agreement shall be shall commence on October 1, 2002, and continue through to September 30, 2008, unless terminated in writing by sixty (60) days written notice from one party to the other.

4. SECTION XXV. Addresses shall be changed as follows:

CONTRACTOR
California Strategies
980 Ninth Street, Ste. 2000
Sacramento, CA 95814
ATTN: Mark Watts

San Bernardino Associated Governments
1170 W. 3rd Street, 2nd Floor
San Bernardino, CA 92410
ATTN: Executive Director

5. Delete all references to "Riverside County Transportation Commission" and/or "RCTC" from the contract.
6. All other portions of this Contract shall remain in full force and effect and are incorporated herein by this reference.

IN WITNESS WHEREOF, the authorized parties have below signed and executed this Amendment to the Contract, and shall be effective on the date set forth above.

SAN BERNARDINO ASSOCIATED
GOVERNMENTS

California Strategies and Advocacy, LLC

Dennis Hansberger
President

Mark Watts
Partner

Date _____

Date _____

REVIEWED AND RECOMMENDED FOR
APPROVAL

Mark A. Grasso
Executive Director

APPROVED AS TO LEGAL FORM

Jean-Rene Basle, SANBAG Counsel

Minute Action

AGENDA ITEM: 8

Date: February 14, 2007

Subject: Organizational Re-alignment

Recommendation:* Approve the strategy for SANBAG organizational re-alignment required for implementation of Measure I 2010-2040.

Background: The San Bernardino Associated Governments Work Program for 2006-2007 tasked the Executive Director with review of the current organizational chart, the departmental resources, and to provide recommendations for the organizational alignment needed to deliver the components of Measure I 2010-2040. The Executive Director was directed under the Work Program to present these recommendations at the end of the first quarter of the fiscal year. A conceptual overview was provided at the October 2006 Administrative Committee meeting, and the proposed organizational re-alignment was discussed at the November 2006 meeting. The Administrative Committee recommended the item for conceptual presentation to the Board of Directors on December 6, 2006.

The recommendations for organizational re-alignment are delivered from the following perspective:

1. Risk Management
2. Proactive Involvement v. Reactive Representation
3. Organizational Depth
4. Succession Planning

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Approved
San Bernardino Associated Governments
Administrative Committee

Date: _____

Moved:

Second:

In Favor:

Opposed:

Abstained:

Witnessed: _____

Moving forward, it is recommended that the re-alignment be phased in over the next two fiscal years to include consolidation of two departments, changes in reporting relationships, reclassification of five existing positions; the transition of two positions related to construction and contract management from contractors to regular SANBAG positions; and the creation of seven additional new positions. The Board of Directors has directed staff to take on greater responsibility and to be lead agency for delivery of projects that previously have been done by the local jurisdictions or the State. SANBAG has taken on these responsibilities without any significant addition of resources or staffing. The agency has reached critical mass, and the dedicated staff continues to work above and beyond expectations. For example, during the past six months, exempt staff has averaged 44 hours per week and non-exempt staff averaged 12 hours per week above current work hour expectations. This extra working response is focused in the areas recommended for resource enhancement. This drives the need for properly balanced work loads with regionally comparable compensation to ensure that our outstanding workforce remains at SANBAG.

Organizational realignment will be focused on the following items:

1. Combine the Air Quality/Mobility Department with Transit and Rail Programs to become the Commuter Mobility Department. This transition will take the majority of the 2007-08 fiscal year to complete. This includes adding two staff positions to perform analytical support and technological control. Managerial responsibilities will be assigned to current positions.
2. Change the Freeway Construction Department to Capital Projects with greater oversight of all capital project delivery for the entire agency. To cover these responsibilities, two positions are recommended for risk management controls in field operation oversight and contract controls.
3. Planning and Programming Department will be separated to show two lines of responsibility with two current positions taking on managerial roles and adding a programming position and a planning position.
4. The Public Information personnel will report to the Executive Director.
5. Adding resources to our Legislative and Government Relations Program.

New Positions

1. For the Budget Year 2007-08, the following additions are requested: an entry level legislative position, construction manager, contract controls manager, two programming/planning positions, a clerk, and a transit/rail analyst (beginning 1/1/08)
2. For Budget Year 2008-09, the following are recommended: programming specialist and mobility technology specialist.

It is proposed that many of these recommendations be instituted sooner than later because of the needs of Measure I (2010-2040) are upon us, especially if we continue implementing project advancement requests and expanded project leadership. Although SANBAG currently performs a number of activities as a Council of Governments, these additional resources should allow this agency to enhance its role in this arena, as well as highlight our leadership in these policy issues.

Financial Impact: There will be no immediate impact to the 2006-07 budget. The recommended structural realignment and personnel approvals will be contemplated in the 2007-08 budget process.

Reviewed By: This item will be reviewed at the February 14, 2007, Administrative Committee meeting.

Responsible Staff: Tony Grasso, Executive Director

SANBAG Acronym List

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AB	Assembly Bill
ACE	Alameda Corridor East
ACT	Association for Commuter Transportation
ADA	Americans with Disabilities Act
APTA	American Public Transportation Association
AQMP	Air Quality Management Plan
ATMIS	Advanced Transportation Management Information Systems
BAT	Barstow Area Transit
CAC	Call Answering Center
CALACT	California Association for Coordination Transportation
CALCOG	California Association of Councils of Governments
CALSAFE	California Committee for Service Authorities for Freeway Emergencies
CALTRANS	California Department of Transportation
CARB	California Air Resources Board
CEQA	California Environmental Quality Act
CHP	California Highway Patrol
CMAQ	Congestion Mitigation and Air Quality
CMP	Congestion Management Program
CNG	Compressed Natural Gas
COG	Council of Governments
CSAC	California State Association of Counties
CTA	California Transit Association
CTAA	Community Transportation Association of America
CTC	California Transportation Commission
CTC	County Transportation Commission
CTP	Comprehensive Transportation Plan
DMO	Data Management Office
DOT	Department of Transportation
E&H	Elderly and Handicapped
EIR	Environmental Impact Report
EIS	Environmental Impact Statement
EPA	United States Environmental Protection Agency
ETC	Employee Transportation Coordinator
FEIS	Final Environmental Impact Statement
FHWA	Federal Highway Administration
FSP	Freeway Service Patrol
FTA	Federal Transit Administration
FTIP	Federal Transportation Improvement Program
GFOA	Government Finance Officers Association
GIS	Geographic Information Systems
HOV	High-Occupancy Vehicle
ICMA	International City/County Management Association
ICTC	Interstate Clean Transportation Corridor
IEEP	Inland Empire Economic Partnership
ISTEA	Intermodal Surface Transportation Efficiency Act of 1991
IIP/ITIP	Interregional Transportation Improvement Program
ITS	Intelligent Transportation Systems
IVDA	Inland Valley Development Agency
JARC	Job Access Reverse Commute
LACMTA	Los Angeles County Metropolitan Transportation Authority
LNG	Liquefied Natural Gas
LTF	Local Transportation Funds
MAGLEV	Magnetic Levitation
MARTA	Mountain Area Regional Transportation Authority
MBTA	Morongo Basin Transit Authority
MDAB	Mojave Desert Air Basin
MDAQMD	Mojave Desert Air Quality Management District
MIS	Major Investment Study
MOU	Memorandum of Understanding

SANBAG Acronym List

2 of 2

MPO	Metropolitan Planning Organization
MSRC	Mobile Source Air Pollution Reduction Review Committee
MTP	Metropolitan Transportation Plan
NAT	Needles Area Transit
OA	Obligation Authority
OCTA	Orange County Transportation Authority
OWP	Overall Work Program
PA&ED	Project Approval and Environmental Document
PASTACC	Public and Specialized Transportation Advisory and Coordinating Council
PDT	Project Development Team
PPM	Planning, Programming and Monitoring Funds
PSR	Project Study Report
PTA	Public Transportation Account
PVEA	Petroleum Violation Escrow Account
RCTC	Riverside County Transportation Commission
RDA	Redevelopment Agency
RFP	Request for Proposal
RIP	Regional Improvement Program
ROD	Record of Decision
RTAC	Regional Transportation Agencies' Coalition
RTIP	Regional Transportation Improvement Program
RTP	Regional Transportation Plan
RTPA	Regional Transportation Planning Agencies
SB	Senate Bill
SAFE	Service Authority for Freeway Emergencies
SANBAG	San Bernardino Associated Governments
SCAB	South Coast Air Basin
SCAG	Southern California Association of Governments
SCAQMD	South Coast Air Quality Management District
SCRRA	Southern California Regional Rail Authority
SED	Socioeconomic Data
SHA	State Highway Account
SHOPP	State Highway Operations and Protection Program
SOV	Single-Occupant Vehicle
SRTP	Short Range Transit Plan
STAF	State Transit Assistance Funds
STIP	State Transportation Improvement Program
STP	Surface Transportation Program
TAC	Technical Advisory Committee
TCM	Transportation Control Measure
TCRP	Traffic Congestion Relief Program
TDA	Transportation Development Act
TEA	Transportation Enhancement Activities
TEA-21	Transportation Equity Act for the 21 st Century
TIA	Traffic Impact Analysis
TMC	Transportation Management Center
TMEE	Traffic Management and Environmental Enhancement
TOC	Traffic Operations Center
TOPRS	Transit Operator Performance Reporting System
TSM	Transportation Systems Management
USFWS	United States Fish and Wildlife Service
UZAs	Urbanized Areas
VCTC	Ventura County Transportation Commission
VVTA	Victor Valley Transit Authority
WRCOG	Western Riverside Council of Governments

San Bernardino Associated Governments



MISSION STATEMENT

To enhance the quality of life for all residents, San Bernardino Associated Governments (SANBAG) will:

- Improve cooperative regional planning
- Develop an accessible, efficient, multi-modal transportation system
- Strengthen economic development efforts
- Exert leadership in creative problem solving

To successfully accomplish this mission, SANBAG will foster enhanced relationships among all of its stakeholders while adding to the value of local governments.

Approved June 2, 1993
Reaffirmed March 6, 1996